



**REPUBLIC OF CROATIA**  
**NATIONAL HABITAT COMMITTEE**

**COUNTRY REPORT OF THE REPUBLIC OF CROATIA  
FOR HABITAT**

**MINISTRY OF ENVIRONMENTAL PROTECTION  
AND PHYSICAL PLANNING**

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## SUMMARY

In its National Report for the Special Session of the United Nations General Assembly (Istanbul+5), the Government of the Republic of Croatia, apart from assessing the Habitat Agenda and Istanbul Declaration\* implementation, has also the opportunity to consider the basis of the settlement and housing development strategy, along with environmental protection on its territory.

The general international trend and specific features of the Republic of Croatia have resulted in the fact that 2/3 of the population live in urban spaces, while also construction pressure on large cities and the Adriatic coast is expressed. At the same time, the island, mountainous, and part of the rural space is threatened by demographic depopulation.

For the future development of settlements and housing in the Republic of Croatia, in the continued implementation of Habitat recommendations, we deem the following to be of priority:

- Realization of sustainable urban development, by means of integral approach to planning, arrangement, and management of urban areas and their inherited cultural and natural surroundings.
- Enabling a more balanced settlement development by application of polycentric and balanced development of the entire space, along with supporting the development of small and particularly medium-sized towns.
- Equipment of settlements with communal infrastructure and economic facilities for employment as a precondition for the improvement of quality of life.
- A more equal and secure provision of housing to the entire population, specially to disadvantaged persons and those with special needs.
- Provision of preconditions for the realization of efficient economy, along with reducing urban pollution and improvement of environmental protection.
- Decentralization and strengthening of local authorities, along with efficient settlement management by enhancement of public participation.
- Capacity-building and institutional development for the elaboration and implementation of best Habitat practices, at town and settlement level, at the level of professional, administrative and communal institutions, and realization of interactions with institutions at the national level.
- Appropriate collection and presentation of statistical data, in compliance with urban indicators shaped by Habitat. Larger cities should furtherly equip their services for monitoring the condition of their space, in compliance with urban indicators.
- Enhancement of international cooperation at the exchange of best practices in the improvement of the human settlements condition.

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\* Documents adopted at the Habitat II (2<sup>nd</sup> UN Conference on Human Settlements, Istanbul, 1996)

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## INTRODUCTION

### Habitat in the Republic of Croatia

Republic of Croatia has taken part in the 2<sup>nd</sup> United Nations Conference on Human Settlements - Habitat II, held in Istanbul from 3-14 June, 1996.

At its session held on 29 August, 1996, the Government of the Republic of Croatia has passed a resolution on the adoption of the final document of the Conference – Habitat Agenda and the Istanbul Declaration on Human Settlements and has charged the competent ministries with the task of implementing the said documents' provisions, supported by the Government's co-ordination.

In April, 2000, the Government of the Republic of Croatia has passed a resolution on participation at the Special Session of the United Nations General Assembly on the implementation of the Habitat Agenda (Istanbul+5), New York, 6-8 June, 2001, and has entrusted the National Habitat Committee with preparing the Country Report. The Ministry of Environmental Protection and Physical Planning has been chosen as the bearer of activities in regard to the preparation and participation of Croatia's delegation at the conference in question.

Through the preparation of the present Report, Croatia, apart from meeting its Habitat Agenda and Istanbul Declaration commitments, also expects that the report shall speed up the Habitat Agenda implementation on the local government and self-government level, and that the process shall to a larger extent include also the NGOs. The Habitat Agenda shall also serve as support for considering and elaborating the proposal of housing policy as one among the elements of the Development Strategy of the Republic of Croatia in the 21<sup>st</sup> Century, currently under elaboration.

It is also expected that active participation in the elaboration of the Report shall encourage the competent institutions to advance the Habitat Agenda implementation monitoring system and the quality of human shelters and environmental protection in settlements.

At the moment of the present Country Report elaboration, Croatia is undertaking a number of activities in order to overcome transition period problems and encourage further economic growth. At the same time, the Government of the Republic of Croatia is faced with the need of reconstruction and creating conditions for the development of the individual war-torn parts of the country (the 1991-1995 Homeland War), as well as resolving the status of displaced persons and refugees.

At the same time, we have recorded demographic pressure on cities, especially larger ones, as well as on those at the seaside, while smaller settlements and islands are at the same time being abandoned.

The data necessary for Habitat indicators are not yet entirely monitored for Croatian cities. Their monitoring requires additional efforts of the Central Bureau of Statistics, as well as of the corresponding county and municipal departments.

The indicators presented are based on the 1991 census. Croatia's demographic picture has been altered in the meantime because of the war consequences.

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Preparations for the census which is to be conducted in 2001 are currently approaching their closing phase.

By joining the Habitat II Indicators Programme, and becoming aware of the Programme's usefulness, it has been estimated that the expansion and elaboration of the Indicators Programme in Croatia may become a permanent activity, as a useful basis for determining the realistic picture of every town's condition and developmental orientation. This may result in the obtaining of both qualitative and quantitative indicators of importance for the planning, monitoring, and estimating progress in achieving the appropriate quality of housing and development monitoring in implementing the principle of building sustainable human settlements. Since statistical data in Croatia have not been entirely co-ordinated with the methodology elaborated for Habitat II, the Central Bureau of Statistics and its associated services at municipal level have expressed their preparedness to expand data processing in compliance with Habitat's methodology.

The establishment of a unique spatial condition monitoring information system is currently under way.

### **A Brief Review of the Existing Situation**

According to the data from 1991, Croatia had 4 784,000 inhabitants and 6,810 settlements. The average population density was 84.6 inhabitants/m<sup>2</sup>, while the urban area was encompassing 3 210,000 inhabitants or 67.1% i.e. 2/3, with 122 cities (legal status), and 100 small towns, and 300 settlements with urban features (according to demographic, socio-cultural, and spatial indicators).

### **The Housing Stock Properties**

According to the data provided by the State Office for Statistics, in 1991, there was the total of 1 772,945 housing units, out of which 1 575, 644 for permanent dwelling. As regards ownership structure, the housing stock consisted of around 393,000 publicly owned flats, while the remaining around 1 182,000 flats for permanent dwelling were owned privately.

Ttl all kinds of flats (for permanent and occasional dwelling)	1 772,345
• - ttl acreage of all flats	122 311,000 m2
• - average flat acreage	69.1 m2
• flats for permanent dwelling	1 575, 644 (100%)
• flat acreage for permanent dwelling	110 972,000 m2
• average flat acreage	70.4 m2
• n° of households	1 544,250
• average n° of people in flats	3.1
• average flat acreage per tenant in flats	23.7 m2
• flats with bathrooms	1 192,011 (76%)
• flats in solid-made facilities	1 507,390 (85%)

Due to the armed war aggression against Croatia, as regards damage done to the housing stock, we may say that, in various categories, over 217,000 flats were destroyed in around 183,500 buildings. In financial terms, this constitutes around Kn 33.4 billion, not including damage done to utility infrastructure.

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## **Starting Points for the Sustainable Development of Space and Settlements**

The basic documents of an integral planning approach at state level are:

- Spatial Planning Strategy of the Republic of Croatia (adopted by Croatia's Parliament in 1997), and
- Spatial Planning Programme of the Republic of Croatia (adopted by Croatia's Parliament in 1999).

For the purpose of the general goal of achieving a higher degree of the country's safety and development, raising of the population's living standard, increasing the value of Croatian space and inclusion into the European developmental systems, we are here pointing out the basic development planning goals:

- accelerated but sustainable development according to the global criteria of economic efficiency and environmental protection, in compliance with the national interests,
- strenghtening of the country's development planning structure through a balanced and realistically polycentric development, establishment of powerful developmental strongholds and outposts, based on both set and potential traffic directions, network of (especially small and medium) towns and advancement of infrastructural equipment level as a condition for good quality development.
- good quality transformation of physical planning taking into account global criteria, but also the specific character of Croatian space, especially its natural and cultural heritage, viewing them as development potentials as well as a key factor for achieving the national spatial identity.

Through the planning of settlement development, we must aim towards reducing the growth of large cities, functionally equipping small and medium towns, as well as local centres, with a better quality inner settlement planning, prevention of unnecessary expansion – particularly along the state road network – in areas of major natural resources, as well as take particular care of infrastructure as the basic precondition for construction.

### **The Country Report Elaboration Procedure**

The present Country Report has been elaborated by a group of experts consisting of the competent ministries' and NGO representatives. The Country Report has been discussed and adopted by the National Habitat Committee, and subsequently it has been submitted for adoption to the Government.

The Report for Istanbul + 5 has been reviewed and adopted by the Government of the Republic of Croatia at its session of \_\_\_\_\_ May, 2001.

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## I SHELTER

### 1. PROVIDE SECURITY OF TENURE

Legal security of tenure and equal access are on the territory of the Republic of Croatia guaranteed to all by the Constitution.

The constitutional provisions of economic, social, and cultural rights furtherly guarantee completely equal inheritance rights to men and women.

Due to war destructions, many inhabitants of ex-Yugoslavia were forced to live their homes as refugees or displaced persons. They are the targets of the **Reconstruction Programme** of the war-torn houses and apartments, as well as of **The Homeland War Victims Housing Provision Programme**. The purpose of both of these programmes is to ensure adequate housing for the part of the population whose right to adequate housing has been threatened.

The Reconstruction Programme encompasses the reconstruction of privately owned houses and apartments without any special commercial conditions, upon the sole condition of return and use of thus reconstructed houses or apartments.

Apartments built within The Homeland War Victims Housing Provision Programme are being rented with buy off rights under favourable conditions. Upon the execution of these rights, they become private property.

Therefore, in both cases, full owner rights are ensured i.e. the right of ownership over apartments may be acquired under favourable conditions.

### 2. PROMOTE THE RIGHT TO ADEQUATE HOUSING

The notion of the right to adequate housing has not been defined in the Republic of Croatia, although it is rather extensively used in everyday practice. The execution of the citizens' rights to adequate housing, as outlined by the Habitat Agenda commitments and strategy guidelines, proceeds through the following two national programmes.

**The Welfare-Supported Housing Construction Programme** was created as the need to elaborate, apart from incentive measures and instruments, a new organized housing construction system for a facilitated resolving of the housing procurement issue for the citizens of the Republic of Croatia (apartments more easily accessible to the citizens), in view of advancing housing construction as a developmental element of civil engineering and economy in general.

We should like to point out here that the "welfare-supported housing construction" in the sense of the said Programme does not constitute the construction of apartments exclusively for the socially threatened population categories. Any family (and especially young people) not able to purchase flats under market conditions may join the programme by taking long-term apartment purchase loans, benefiting from the privileges of the so called public funds.

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The said Programme supports the improvement of living conditions under acceptable terms in the sense of both price and proper housing, healthy and safe when it comes to construction and fittings.

The Welfare-Supported Housing Construction Programme also envisages for the local self-government units to purchase apartments for their welfare beneficiaries (the poor) and assign them according to priority lists, with rents subsidized through social welfare in compliance with the relevant Law.

The goals of the said Programme are as follows:

- meeting of the housing needs – making apartments more easily available to citizens,
- developing housing construction as an incentive for the economy as a whole,
- employment – opening of new jobs,
- encouraging production in general (construction material, furniture, and so on)

Since the average price of one square meter of housing space in Croatia ranges from 2-3 average monthly salaries, i.e. the price of a 50 m<sup>2</sup> apartment amounts to 10-15 average yearly incomes of those who are employed, the purchase of an apartment is mostly out of reach even for the individuals or families with lower or medium salaries.

According to some research programmes conducted, the affordable apartment price should not exceed four average yearly household incomes, with loan payment deadline and average annual interest rate not burdening the monthly average household income for more than 20-30%.

The Welfare-Supported Housing Construction Act is currently under preparation, regulating housing procurement for the socially threatened individuals, as well as for those with low and medium income, according to the model in which apartment construction is financed with the participation of public funds (of the state and local self-government), as well as of the funds of citizens and banks finding their own interests in such deals.

The financing of the apartments is envisaged from the following sources:

- the so called public funds (of both the state and the local self-government units),
- citizens' funds, and
- the funds of banks recognizing their own interests in the said deals.

Before the said Act was passed towards the middle of 2000, the first phase of the Welfare-Supported Housing Construction Programme had been launched. Within the possibilities allowed for by the existing legislative and financial framework, the purchase of an apartment would thus be made affordable even for the medium-income buyers, who are not able to solve their housing situation individually within the banking market offer. The average monthly instalment amount for an approximately 50 m<sup>2</sup> apartment would be around 170 US\$ per month.

To the present moment, 102,000 houses and apartments have been built or reconstructed in the scope of ***The Homeland War Victims Housing Provision Programme***. The Programme is defined by certain social and technical criteria in view of ensuring proper housing standard.



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War victims' needs	Apartments	Houses	Total
• built or reconstructed	2,500	99,500	102,000
• under construction	3,300		3,300
• to be constructed	3,250		3,250
Total	9,050	99,500	108,550

The apartments for the Homeland War victims are designed and built according to special guidelines setting the apartment standard and equipment level. One among the criteria for determining the right to adequate housing is the apartment acreage, defined by the number of family members by setting minimum apartment acreage per person, increasing proportionately to the number of family members.

Priority housing provision is reserved for invalids according to the degree of their disability, and for families with more children from the group of families of the killed, dead, imprisoned, or disappeared Croatian defenders. The Croatian Government takes special care of displaced persons and refugees.

The reconstruction of war-torn houses and apartments proceeds in compliance with the technical conditions set, ensuring housing standard in keeping with today's needs.

All the so far used reconstruction models have provided for the reconstruction or repair of the total of 102,000 war-torn or damaged family houses and apartments, 42,000 out of which were covered by outright grants, and the remaining 60,000 by highly favourable loans.

### 3. PROMOTE EQUAL ACCESS TO LAND

All citizens enjoy equal access to real-estate and land available on the free market. Depending upon the appeal and the level of equipment of the land, the market is setting prices, payment terms, and other conditions. In reality, the availability of building sites depends on the financial capacity of prospective builders.

The state's influence has been reduced to the real-estate turnover tax (general rate in the amount of 5% of the real-estate property value), while the possibility of expropriation is reserved exceptionally for undertakings involving major state infrastructure.

Access to land for the needs of housing procurement for the citizens with low and medium income is ensured by means of the Welfare-Supported Housing Construction Programme.

In the scope of The Welfare-Supported Housing Construction Act, the cities and local self-government units provide building sites. Once the apartments are built and sold, the buyer becomes the owner of the land in the proportionate share of the real-estate/the apartment and pays off its value by means of a bank loan.

Since the price of the land and its communal equipment are limited to US\$ 190/m<sup>2</sup> of usable area, this programme encourages in particular the construction in smaller settlements, where the land and land preparation costs are lower.

In the scope of The Homeland War Victims Housing Provision Programme, under the Act on the Rights of Croatian Defenders from the Homeland War and Their Family Members, the cities and municipalities must procure building sites and utilities free of

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charge to all those under that Act whose place of residence is located on their territory, in view of their housing procurement.

#### 4. PROMOTE EQUAL ACCESS TO CREDIT

The capital market in Croatia is marked by a generally too high money price. Business banks loans intended for resolving the citizens' housing situations are inaccessible to most due to too high interests and too short instalment deadlines – taking into account the ratio between the newly built apartments' prices and the average income of citizens. The system of financial support through state subsidies has just began developing.

With the Act on Housing Savings and State Incentives for Housing Savings of 1998, the legal framework has been provided for the establishment of housing savings-banks. The housing savings-banks collect funds on the basis of the so called Solidary Savings, where the savings amount is being multiplied by the interest plus the state incentive funds in the amount of 25% of the annual savings amount, being limited to US\$ 156 annually per depositor at the most. There is also the possibility of family saving, multiplying the state incentives depending on the number of depositors. The interests are fixed and amount to 6% of the granted loan and 3% of the savings.

From the aspect of commercial financing, the housing building programmes make us strengthen financial mechanisms and develop new financing approaches enabling additional funds, especially on local levels. In these terms local banks may participate in housing building as a production sector, as envisaged by the Welfare-Supported Housing Construction Programme.

The condition changes considerably by the Welfare-Supported Housing Construction Programme envisaging that the banks participate in the co-financing of the apartment price with the amount of up to US\$ 330/m<sup>2</sup> of the usable apartment area, constituting 50% of the funds necessary for building, at minimum interest.

However, this is still not a safe basis for the purchase of an apartment on the part of all citizens in accordance with this programme. Only the advancement of the economic and social development, as well as the opening of new jobs and increase of the citizens' income, shall create a solid basis for a safe and long-term loan payment.

#### 5. PROMOTE ACCESS TO BASIC SERVICES

The local self-government units perform tasks from the local domain, immediately responding to the citizens' needs, and particularly those referring to the arrangement of settlements and shelter, development and town planning, utilities, care of children, social welfare, primary health care, upbringing and elementary education, culture, physical culture and sports, customer protection, protection and advancement of natural environment, fire prevention and civil protection.

Basic services are being planned within individual sectors at county and municipal or city level, with a considerable influence on the part of the competent central state administration body (Ministry), as seen from the State Budget and its segment referring to capital investments.

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The State is particularly involved in reconstruction programmes of the war-torn areas. Parallely with the reconstruction of housing facilities proceeds the reconstruction of public buildings (schools, kindergartens, hospitals, and so on), and municipal services' facilities, in view of ensuring, once the population is back to the war-torn areas, not only shelter, but also all other services essential for the proper functioning of settlements as urban complexes.

Through the Welfare-Supported Housing Construction Programme, the goal is to balance the development of small and medium towns and villages, while, through the encouragement of concrete investments, opening of new jobs, and development of social infrastructure, the advancement of the human settlements development is sought.



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## II SOCIAL DEVELOPMENT AND ERADICATION OF POVERTY

### 6. PROVIDE EQUAL OPPORTUNITIES FOR A SAFE AND HEALTHY LIFE

The construction of sustainable human settlements within the existing ecosystem structures is one among the priority tasks of Croatia's development planning policy. It has been adopted through development planning documents, such as The Spatial Planning Strategy of the Republic of Croatia (1997) and The Spatial Planning Programme of the Republic of Croatia (1999), and spatial plans of around twenty Croatian counties and the City of Zagreb, the completion of which is expected in the course of the current year. These documents, as well as development plans of municipalities and cities, have endeavoured to ensure equal opportunities for a healthy, safe, and meaningful life, balanced with nature, as well as with cultural heritage, spiritual and cultural values, and economic and social development to all the inhabitants.

The transformation of towns and settlements encompasses concern for a rational, economically viable occupation of space, as well as protection and revitalization of historic complexes.

The environmentally tolerable development of settlements requires the redefinition of traditional approaches to the development and management of the living space. Equipment with municipal services is in a special way one among the principal orienting developmental instruments.

Appreciating regional differences and different regional development levels in Croatia, we may single out two basic regional policy problem areas: islands, rural and para-urban, as well as areas of special state care<sup>1</sup>.

That is why the spatial planning measures and documents in the Republic of Croatia encourage the following:

- paying special attention to the spatial development planning and arrangement of densely populated areas - wider urban areas (with over 100,000 inhabitants),
- appreciating daily work migrations as a planning measure when directing the development of towns and cities through the organization of outlying traffic and life quality increase in their wider surroundings – in view of preventing permanent (moving-in) migrations,
- rational use of the existing settlement fabric by finding development space and options within the city (with a priority use of those yet unbuilt or built irrationally, while equipped with communal infrastructure – through in-builts and additional construction),
- preservation of architectural identity of the historic settlement centres through urban reconstruction (reconstruction, sanitation, revitalization, and the like), with a priority modernization of the existing housing units,
- transformation of large economic zones (usually abandoned businesses), achieving the following two effects: No longer being dependent on the dominating industries, and launching new programmes, starting economic dynamics in the same area, as a precondition for other forms of development,

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<sup>1</sup> areas of the Republic of Croatia in which the State encourages development using special incentives

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- systematic equipping of urban land with communal infrastructure as a condition for further construction and a factor of development orientation towards the strategically important areas.

The realization of these development planning measures largely depends on the economic revitalization success and its associated inevitable increase of the Croatian citizens' financial standard.

## 7. PROMOTE SOCIAL INTEGRATION AND SUPPORT DISADVANTAGED GROUPS

The Constitution of the Republic of Croatia guarantees equality to all its citizens. Equal access to social and cultural facilities, as well as to employment and housing is guaranteed.

The appearance of urban poverty as a consequence of impaired social conditions is present in Croatia as well. Major efforts are being invested in order to mitigate such a situation. Many cities were – particularly in the first half of the past decade, during the war, and during migrations of a large number of displaced persons and refugees - faced with abrupt growth, unemployment, and impossibility to provide adequate housing or meet their citizens' basic needs.

Apart from that, many settlements are faced with ageing population, urban decay, unsustainable resource exploitation, and the need for adjustment and change.

The care for citizens with special needs is the job of governmental labour and social welfare bodies, as well as of all the sectors in charge of development. That is why development planning programmes also include measures enabling the meeting of all citizen groups' needs, and especially those disadvantaged.

Also, as regards the facilitation of mobility for the disabled, the regulation on the prevention of creating architectural obstacles has been implemented for twenty years now in Croatia. Namely, the regulation envisages the use of devices for the mastering of altitudinal barriers for the persons with mobility-related difficulties, as well as free access to all public facilities. The requirements under this regulation were applied to all spaces designed and built in the mentioned period. A new regulation is currently under preparation, providing for even better solutions of the problems associated with the prevention of urban and architectural obstacles, rendering their implementation in the building and adaptation of facilities even more stringent.

As regards The Homeland War Invalids Housing Provision Programme, we should point out the family houses construction programme for providing shelter to the heaviest invalids, immobile persons with special needs, requiring as a rule the assistance of another person as well. Specially designed family homes are being built for them, meeting all the living conditions necessary for disabled persons.

The process of sheltering the citizens that have been displaced during the war is still ongoing. Reconstruction programmes for the war-torn areas in a special way include goals encompassing, among other things, also the encouragement of social integration.

In the meantime, displaced persons are receiving all the necessary material and other assistance – from providing shelters to various forms of psycho-social assistance – through the Office for Displaced Persons.

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In the implementation of all the aforementioned housing provision programmes, attention is being paid not to create any kind of ghettos i.e. to avoid higher concentrations of individual social categories on a single spot, since it has shown so far that smaller groups integrate more successfully and quickly into the new surroundings.

## 8. PROMOTE GENDER EQUALITY IN HUMAN SETTLEMENTS DEVELOPMENT

The Government of the Republic of Croatia has established a Commission for Gender Equality Issues, in charge of promoting and monitoring all issues associated with gender equality. Based on the Beijing Declaration and the Action Platform adopted on the 4<sup>th</sup> Conference on Women (Beijing, 1995), the Commission has elaborated the National Policy for the Promotion of Gender Equality with an Action Plan, envisaging activities in the area of women's rights by 2000. Based on the Beijing Platform, the National Policy for the Promotion of Gender Equality in the Republic of Croatia takes care of the issues being an integral part of the Habitat Agenda. This particularly refers to the issue of equal salaries for both men and women, promotion of a special protection for the so called sensitive population groups, access of girls and young women to education, the need for environmental protection and promotion of the role of women in it, and ensurance of safe shelters for the women and children who are victims of violence and so on.

In the Republic of Croatia, the employer must pay equal salaries to both men and women for the same job and for the work of the same value. Women make 51 % of total Croatia's population, but only 46% of the total employed population.

The share of women in the number of unemployed persons is 52.5 %. The number of unemployed women was showing a tendency towards decrease in 1993, but has been on the increase again since 1996, following the developments of total unemployment number in the period. As regards the qualification structure of the unemployed, the highest number is that of women with secondary education, as well as of skilled and highly qualified women workers.

Over the past few years, the representation of women in politics and decision-making positions has considerably increased. This, for instance, after the elections in the January of 2001, the number of women in the House of Representatives went up from 5.5 to 21 %.

In compliance with the measures provided for by the National Policy for the Promotion of Gender Equality, a booklet has been published towards the end of 2000 collecting the available data on the position of women in the Republic of Croatia. It reveals deficiencies in the existing data collection and compilation system. The new National Policy envisages a number of actions directed towards the unification of statistical data collection and compilation.

The said Commission has, in 1999, in view of public awareness-raising, together with NGOs and labor unions, organized a large gathering entitled "Together in the Fight Against the Violence Towards Women"

Over the past ten years, a number of associations have been established in Croatia operating as the so called women's houses i.e. offering direct protection to women and children – victims of violence. Several SOS phones have also been active for a number of years now. Recognizing their role, the Commission has, back in 1999,

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ensured considerable funds for the financing of two projects engaged in the protection of women against violence. The Office for NGOs of the Government of the Republic of Croatia has been ensuring financial assistance for the operation of these NGOs every year from the State Budget funds.

Education is one among the most important preconditions for achieving the full equality and strengthening the position of women. In the Republic of Croatia, primary education is both mandatory and free of charge. Under the present conditions, education constitutes a process that lasts the entire lifetime, which is why it is necessary to encourage a permanent education and professional training of women regardless of age in Croatia as well. Special programmes must be developed in order to encourage women to gain experience in new technologies and natural sciences. In education too, special attention must be paid to disabled women, making all education levels available to them.

Habitat Agenda has encouraged the inclusion of the issue of gender into the programmes, implementation and governing of the ecologically safe production techniques and infrastructural development in urban and rural areas.

The Governmental Commission for Gender Equality Issues has, in view of sustainable environmental management, while elaborating the new National policy for the 2001-2005 period, decided that a special chapter on women and environment be introduced as a separate unit.

According to the draft that has been elaborated, special attention has been paid to the active involvement of women into the environmental protection and sustainable development planning, decision-making and implementation process; equal access to the management of natural resources for both men and women, as well as to the active participation of women in the activities of environmental sanitation and preventive protection.

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### III ENVIRONMENTAL MANAGEMENT

#### 9. PROMOTE GEOGRAPHICALLY-BALANCED SETTLEMENT STRUCTURES

In the Republic of Croatia, the location, construction and the entire development of cities is a reflection of logical laws of placing human settlements on favourable geographical positions. According to geographical position, in Croatia we may differentiate three characteristic spatial complexes: Adriatic i.e. coastal zone with maritime urban properties; Dinaric i.e. mountainous zone with towns located along the natural Dinaric pathways or above them, and Pannonian i.e. lowland zone with cities located by the watercourses. These regional properties are especially visible in the old urban cores – in urban tissue features and autochthonous architectural objects.

The geographical distribution of the central settlements enables the establishment of an even network of urban areas enabling higher quality of life to the inhabitants of their gravitation areas and easier access to the necessary central services. The spatial planning documents therefore try to achieve as even a distribution of central settlements as possible. Incentive measures are used in order to create preconditions necessary for a more intensive development of the centres needed to improve the coverage of the areas which have not developed their own centres for any of the following reasons: Morphological or depopulation processes, borderline location, or consequences of the recent war destructions.

Croatia is still marked by the prevalence of small settlements and their dispersion. Over 5,250 settlements out of the total of 6,810 have less than 500 inhabitants (data from 1991). The population restructuring process has not been completed yet, which is why we may expect further structural changes, today visible in the increase of the number of medium settlements and a faster growth of their population number. At the same time, the number of small settlements rapidly losing their inhabitants has been on the increase.

Strategic urban development goals are the realization of as even a spatial distribution of the population as possible in order to balance development and achieve an optimal use of the country's resources, with gradual population of the border areas and areas suffering from depopulation, while at the same time marked with outstanding natural advantages.

The development of a polycentric development model is based on the network of cities (towns and cities, county centres, smaller towns and local rural centres) collecting and servicing the more densely populated areas.

The Croatian central settlements system encompasses the following:

1. Large cities' metropolitan areas: Zagreb, Split, Rijeka, Osijek (macroregional centres) with 1 650,000 inhabitants or 34.5 % of population.
2. Wider urban areas of larger cities: 13 cities – regional centres, with 642,000 inhabitants or 13.4 % of population.
3. Urban areas of medium and small towns: 40 towns – subregional centres, with 561,000 inhabitants or 11.7 % of population.



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4. Other urban areas: around 100 small towns and 300 places with urban properties  
– regional and major local centres, with 772,000 inhabitants or 16.2 % of population.

The Spatial Planning Strategy and Programme of the Republic of Croatia both stress the importance of medium and small towns for the strengthening of the country's entire spatial development structure, thus opening the issue of development and qualitative transformation (and not growth or change of system) as crucial for achieving the strategic goal of a more even development and life quality improvement.

The above spatial development planning documents suggest the following measures for a more efficient organization of space, as follows:

1. encouraging - using planning measures - a more harmonious Croatia's urban system development,
2. priority development encouragement of larger and medium towns as prevailing bearers of further urbanization.,
3. addition and correction of the urban network in rural, mountainous, border, and war-torn areas through encouraging development, so that they may become organizers of development changes of their wider surroundings,
4. achieving the development of a polycentric and as even as possible spatial development planning model relying upon a network of cities and central settlements through an adequate distribution of investments into public, production and infrastructural facilities,
5. directing the development of cities, so that they may become powerful and attractive enough to become the centres of interest and service rendering to population within optimal distances.

It is to be expected that the strategic dimension of the role of individual city types shall have its response in the state policy moves for the purpose of achieving the polycentric development model, pointing to the importance of especially the medium and smaller towns for their wider surroundings.

Special efforts are made in order to encourage spatial development of the islands and a part of the interior, threatened by demographic emptying.

In these areas, through economic development, while preserving the autochthonous centres; the historic, cultural and natural heritage shall be protected and maintained, including traditional shelters and patterns of autochthonous settlement construction, along with landscape, flora and fauna.

#### 10. MANAGE SUPPLY AND DEMAND FOR WATER IN AN EFFECTIVE MANNER

In the Republic of Croatia, the water supply has priority significance in the plans of economic activities using water and is based on long-term water supply programmes. Good quality potable water is one among the most valuable resources in Croatia. It is managed by a public corporation on national level.

The obligation and the need to protect waters and the sea has been stipulated by the Waters Act and its accompanying regulations, while the protection goals and measures are set by the Republic Plan for the Protection of Waters and Coastal Sea

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Against Pollution, constituting the basis for a faster and more meaningful implementation of the necessary protection measures.

The development of water supply starts from the need to ensure sufficient volumes of good quality water for both the population and the economy, with the purpose of supplying every inhabitant with sufficient volumes of good quality potable water in foreseeable future.

The water supply programme aims at achieving a 90% supply of the population with public water supply systems, and covering also the needs of the economy. The spatial development planning documentation includes the concept of sustainable management of waters, as well as of the water supply system management.

Currently available underground water reserves may cover all the required needs of a long-term water supply development. In most cases, their use involves major undertakings, not only due to the inclusion into the water supply systems, but also due to the necessary protection implementation.

Low water price in the public waterworks system does not encourage the necessary rational use of water, greater concern for the losses within the network, or greater orientation towards wastewater recycling and its reuse in agriculture, industry, municipal services, and other major consumers.

Requirements for larger water quantities and better quality environmental protection point that it is necessary to pay attention to a more efficient use of the existing water sources.

Owing to new realizations regarding the necessary sources, the existing individual concepts shall have to be partially changed. This particularly regards the Drava, Danube, and Sava river-basins, since many of the solutions planned are directly associated with the water exploration works oriented towards identifying optimal sources which have either not been implemented yet at all or are currently under implementation.

The water supply of karstic areas and the islands – which constitute a characteristic feature of Croatia's geography: soil porosity or scarce precipitation – represent a problem which is being resolved separately.

The criterion of rational management of the existing water supply system in Croatia implies the following: Solving distribution within the minimal permissible water losses, reducing water consumption to the real needs of the communal standard, acceptable electricity consumption, and the like. This is especially important in order for the existing water supply systems to reduce water losses.

## 11. REDUCE URBAN POLLUTION

Under Croatian laws, municipal services are under the jurisdiction of the local government and self-government (cities and municipalities). They plan measures which are being laid out in the form of two-year programmes for individual sectors. Problems arising in the process are most often the lack of co-ordination among sectors, as well as insufficient co-ordination with financial possibilities i.e. the budget.

Municipal services associated with pollution reduction encompass the following:

- wastewater drainage and purification,

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- gas supply,
  - thermal energy supply,
  - public transportation of passengers,
  - maintaining cleanliness,
  - household waste disposal,
  - public grounds maintenance,
  - cemetery maintenance, and
  - chimney sweeping.

The handling of various kinds of waste and the related authorities are regulated by the Waste Act and a number of accompanying regulations (The Book of Rules on Waste Types, The Book of Rules on Handling Waste, The Book of Rules on Handling Packaging Waste, and the Ordinance on the Conditions of Handling Hazardous Waste). In this way, a number of the old, yet unresolved issues associated with waste generation and improper disposal is being resolved, given its harmful impact on human health and environment.

The above regulations have ensured conditions necessary for a fast development of modern waste management, as well as for separate collection, recycling, and treatment of waste.

The regulations set the basic conditions to be met by companies engaged in handling individual kinds of waste, as well as conditions to be met by the space in which the handling and management of waste takes place. In this manner, environmental protection is ensured and the negative impact on population health reduced.

In the Republic of Croatia, new, more environmentally tolerable technologies, are not yet present to a sufficient extent. Since these technologies generate less waste, consume less energy per product unit, and create less environmental burden, the regulations should advance incentives for the development of cleaner technologies.

One among the basic issues of urban pollution is air pollution through the release of harmful substances from both natural and anthropogenic sources. As regards man-made sources, the highest amount of emission is generated by fire-boxes, traffic, industry, and some agricultural activities. The number of pollutants increases daily, which is why the air pollution problems are shifting from the so called traditional pollutants (sulphur dioxide, smoke and particles) towards highly noxious substances (heavy metals, aromatic hydrocarbons, chlorinated hydrocarbons, and others).

In comparison with other European countries, Croatia has in 1996 had relatively low per capita emissions. SO<sub>x</sub> emissions were 70 per cent lower than the OECD average. NO<sub>x</sub> and SO<sub>2</sub> emissions were also around 70 per cent lower than the OECD average.

Problems are in the Republic of Croatia caused by large volumes of transboundary air pollution immissions.

The condition when it comes to household waste handling on the territory of the Republic of Croatia is relatively unsatisfactory. In some places, it has even already lead to environmental pollution, especially of underground waters. It is estimated that, in 1995, the amount of 978,000 t of household waste was generated, with the specific volume of 0.62 kg per capita daily, referring to population encompassed by organized waste collection and disposal. Out of this quantity, 614,823 t or 63 % is being collected in an organized manner and disposed at "official disposal sites", while this is not the case with the remaining 363,719 t or 37 %, ending up at "unauthorized

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dumps", mostly in the vicinity of its generation spots. Around 13,300 t of secondary raw materials or 1.4% of the total waste generated is being collected separately.

Determination of the household waste volumes and types generated on the territory of the Republic of Croatia is a constant and priority, but also a highly complex task. There is a legal obligation to establish polluter inventories and control system over the generated waste.

The monitoring of the Adriatic Sea quality has been established. The protection of the sea against pollution has been on the increase, in compliance with international conventions (for the Mediterranean). Wastewater treatment systems are often being installed in coastal towns. Such activities are in the continental parts of Croatia are still insufficient or only on initial level.

In the Republic of Croatia, there are plants that may be used for the treatment of some hazardous waste types.

There are several low-capacity devices for the regeneration of halogenated solvents, but they are not used. The reason for this is the unfavourable composition of solvents offered for regeneration and low quality of the regenerates rendering their marketing or reuse more difficult. The regeneration of solvents used in organic processes is often an integral part of the processing plant, in which case it is being successfully conducted. Waste solvents from other applications are most frequently of undefined composition (blends), rendering their regeneration more difficult.

A number of measures are necessary for encouraging correct waste handling and discouraging or punishing that incorrect. There already are certain legal measures for punishing improper handling, although the lack of incentives as well as of technical possibilities may nevertheless be strongly felt.

## 12. PREVENT DISASTERS AND REBUILD SETTLEMENTS

Mitigation of the consequences of war (1991-1996) that hit Croatia is still ongoing. From the time distance of 5 years, the greatest problems are today caused by the issue of clearing the settlements and their surroundings of mines. The clearing of mines has been entrusted to a special department established within state administration.

The national programme for the war-torn settlements includes also the reconstruction and construction programme of the settlements hit by natural disasters, such as earthquakes and fires.

The reconstruction of the war-torn settlements shall in time blend with the need for overall reconstruction of settlements in Croatia through a multisectorial approach on both the state level and the level of the local self-government units, in partnership with the population and the interested economic entities.

Disaster prevention is conducted already in the procedure of spatial and urban plans elaboration. The said procedure prevents or diminishes the risk of accidents by space organization, directioning and distribution of certain activities into protective areas, determination of protective corridors and other planning measures, as well as by environmental protection and cultivation.

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The Environmental Protection Act in the Republic of Croatia stipulates the elaboration of environmental impact assessments for all undertakings which might bear adverse environmental impacts. The said procedure precedes the issuing of location permits for such undertakings.

The Republic of Croatia has legal, institutional and technical bases for prevention, preparedness and response in cases of occupational accidents, accidents occurring while transporting hazardous substances; explosions and fires; sudden water and sea pollution, and environmental accidents.

Apart from the already mentioned acts, we should like to mention in particular the Act on the Protection Against the Elements, as well as some legal regulations regulating response in case of accidents and cases of sudden pollution:

- Intervention Plan in Case of Sea Pollution in the Republic of Croatia
- Environmental Protection Intervention Plan in the Republic of Croatia
- The National Water Protection Plan
- The Book of Rules on the Manner of Transporting Hazardous Substances in Road Traffic
- Resolution on the Determination of Roads on which Motor Vehicles are Authorized to Transport Hazardous Substances and on Determining the Parking Places for the Motor Vehicles with Hazardous Substances

As of 1996, the situation is being systematically monitored in the Republic of Croatia and records kept on the number and kinds of accidents. According to the said records, out of the total accident number, the highest number of accidents occurs in road transportation of hazardous substances, followed by industrial accidents.

As regards environmental protection, a system has been established for the implementation of The Environmental Protection Action Plan, The National Water Protection Plan, and The Intervention Plan in Cases of Sudden Sea Pollution in the Republic of Croatia.

In the scope of these plans, crisis and eco-headquarters have been established on both state and county level, along with communication units, intervention units, and expert units supported by the transportation and logistics of the army and the state administration body in charge of internal affairs.

The problem lies in the insufficiently developed information system for the monitoring of and data exchange on the indicators of chemical accidents with consequences for the life and health of people, environment and property.

### 13. PROMOTE EFFECTIVE AND ENVIRONMENTALLY SOUND TRANSPORTATION SYSTEMS

In Croatia, the road traffic went up after 1995, while that railroad and public city transportation went down, which is unfavourable from the environmental point of view. Particularly alarming is the decrease of the public city transportation by 55 % from 10,631 million of passenger kilometers in 1990 to 5,719 million of passenger kilometers in 1995, with a continuing decrease trend.

At the same time, the number of passenger vehicles per 1,000 inhabitants went up from 153 in 1991 to 198.3 in 1998.

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Towards the end of 1999, the import of passenger vehicles without catalytic converters was prohibited in Croatia. There are no exact data, but it is estimated that over 20 % of passenger vehicles are catalyzed.

The volume of railroad traffic in the 1991-1995 period was reduced to one third of that preceding 1990. Additionally, in the energy consumption structure, there has been a considerable decrease of electricity consumption (index 69), with regard to fuel oil consumption (index 74), revealing the outdatedness of the railroad vehicle pool, and also war consequences. That is why the period to come should bring about a comprehensive railroad reconstruction and modernization programme. This process in Croatia, in keeping with Western European tendencies, tends towards combined transportation and redirectioning of road transportation towards the railway.

The share of traffic in air pollution in the 1990-1998 period went up by 20 % on the average, while the share of pollution from combustion processes in the period under consideration went down by 11 % on the average. Such developments point to the fact that in the future as well, the highest pressure may be expected from the transportation sector.

It is clear from the above that Croatia has not done enough so far for the introduction of energy-saving transportation systems. However, the existing state is expected to improve by redirectioning road traffic to that railroad, as well as by stimulating organized transportation as opposed to that individual in cities and settlements.

The network of towns and settlements on the territory of the Republic of Croatia and the system of their connecting with road and railroad traffic, sea lines (especially for islands), and air traffic among larger centres is being advanced in accordance with the economic possibilities and spatial conditions, in view of improving the quality and availability of transportation, while at the same time trying to meet environmental requirements.

The priorities by 2005 in the scope of The Road Traffic Strategy and the Policy of Advancing the State of Space (on both national and local level) encompass also the improvement of the existing network. Third lanes are being introduced into critical sections and technical and technological properties of the roadway structure improved, and the like. Traffic is being reorganized according to the present road ranks, - all the way to the putting in operation of the envisaged motorways and fast roads; within the existing corridors special attention has been paid to connecting the so far isolated parts of the state. Improvements of the motorways' equipment level with the accompanying servicing facilities are currently under way, and new technologies of combined i.e. – wherever possible – integrated traffic are being introduced.

Planning of the railroad traffic development proceeds on two levels – connecting within the country and connecting with the European Railroad System, in the scope of which the European destinations in the Croatian railroad network shall be verified, transit railroad traffic conditions improved, and higher technical, technological and environmental utilization criteria applied.

The development of maritime traffic relies on the country's advantages, with a special need for a better connection of the islands. The condition of ports shall be advanced in keeping with the needs of the economy and traffic as a whole, including the necessary expansion and modernization, taking into account the mutual influence of the road-railroad-sea traffic corridors on the relatively narrow area consisting of the coastline and the islands.

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The improvement measures encompass all transportation types, through both communications policy in view of reducing the pressure imposed upon transportation, and the selection of a more efficient, environmentally sounder and energy saving traffic system, paying attention to pollution and noise reduction, especially in larger cities.

The routes and locations of the traffic systems and their elements are being checked through the environmental protection system (environmental impact assesment), and are defined in the procedure of spatial documents elaboration.

Croatia does not have a proper sustainable traffic development policy, while the environmentally tolerable measures and criteria set out in spatial and other plans (including traffic systems) are not being consistently implemented.

As regards priority issues, the achievement of the following basic goals is sought:

- sustainable traffic development in all urban agglomerations,
- reduce the volume of personal road traffic,
- develop an attractive, functional, and environmentally the most acceptable public transportation,
- elaborate a strategic environmental impact assesment on national level and apply it in all development plans and sectorial strategies,
- reduce traffic activity and traffic infrastructure environmental impacts,
- introduce environmental state monitoring (surveillance of the traffic environmental impact),
- protect sensitive areas,
- increase the hazardous substances transportation safety.

In order to achieve the above goals, the following instruments and measures must be advanced and duly applied:

- co-ordination of the legislation of the Republic of Croatia with European criteria,
- establishment of economic instruments,
- traffic EIA on national level,
- traffic development plans (physical plans, sectorial strategies, and so on)
- technical usances in the construction and maintenance of traffic infrastructure,
- new technologies,
- limitations, prohibitions, and so on, during exploitation,
- education and training in the area of environmental protection against harmful traffic impact,
- scientific research work in the area of environmental protection against harmful traffic impact,
- environmental monitoring, especially when it appears as the country's international commitment,
- public participation.

#### 14. SUPPORT MECHANISMS TO PREPARE AND IMPLEMENT LOCAL ENVIRONMENTAL PLANS AND LOCAL AGENDA 21 INITIATIVES

The Republic of Croatia was an active participant at UNCED 92 (UN Conference on Environment and Development, Rio de Janeiro, 1992) and has adopted the Rio Declaration, Convention on Biodiversity, and Convention on Climate Change. The Government has ensured the funds necessary for making these documents available and distributing them to all sectors and interested institutions, NGOs and individuals.

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AGENDA 21 (the basic UNCED document of 1992) has encouraged the holding of a number of both regional and national gatherings. Based on them, Croatia has directed numerous projects on the national level and its participation in the projects at regional level, such as co-operation on the protection of the Mediterranean, the Danube River Basin, and within the Alpine-Adriatic Region, The Central European Initiative, and so on.

In 1997, the Republic of Croatia has prepared the National Report on the Application of AGENDA 21 for a Special Session of the United Nations General Assembly discussing the implementation of AGENDA 21 five years after Rio.

The Environmental Protection Strategy and Programme in the Republic of Croatia is currently under passing, based on mechanisms initiated in AGENDA 21, and elaborated and co-ordinated on the level of UN/ECE (UN Economic Commission for Europe).

AGENDA 21 has envisaged also the elaboration of both regional and local Agendas, which is why local agendas have been attempted for some cities and settlements in the Republic of Croatia. In connection with this, the Second Meeting of Parties to the Convention on the Access to Information, Public Participation in Decision-Making and Judiciary Access to Environmental Issues (adopted in the Danish city of Aarhus in 1998) was held in town of Cavtat (Republic of Croatia) in July, 2000. Croatia has signed the said Convention.

In the scope of the European initiative "Health and Environmental Protection", the Republic of Croatia has prepared the Croatian National Action Plan "Environment and Health", NEHAP (National Environmental Health Action Plan), presented in 1999 in London at the 3<sup>rd</sup> European conference "Health and Environmental Protection". The bearer of the said document's elaboration was the Ministry of Health, closely co-operating with the state administration body in charge of environmental protection issues.





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## **IV ECONOMIC DEVELOPMENT**

### **15. STRENGTHEN SMALL AND MICRO-ENTERPRISES, PARTICULARLY THOSE DEVELOPED BY WOMEN**

Crafts, as well as small and micro-trade companies, make 99.6 % of total Croatia's economic entities. This part of the economy, with a 32% share in the total long-term economic property accounts for 55.1 % of the income and 53.4 % of the profit.

In spite of many problems in Croatia's economy, only the small and micro-enterprises have in the past years been recording an increase of the employee number, employing 68.6 % of the total of those employed in Croatia's economy. The highest employment increase is recorded in crafts, followed by micro-trade companies, while small trade companies show mostly stable employment rate, with a slight increase.

Micro-enterprises, encompassing crafts, cooperatives, small and micro-trade companies, and other forms of private entrepreneurship initiatives, have in the past years proven their adjustability and endurance in spite of numerous problems. However, increasingly heavy economic problems have lead to halts in development and, for the first time, negative financial outcome recorded.

In 1999, micro-trade companies recorded, for the first time, a negative total financial outcome, indicating that, for the time being, adaptability reserves have been exhausted. This additionally points to the fact of micro- and large economy being connected, and it is a reflection of the negative result recorded by large trade companies.

In order to reverse such negative trend, within the Government's Working Programme for the 2000-2004 period, the Programme for the Encouragement of Micro-Economy has been conceived, consisting of a number of incentives. The goal is to gradually elaborate a support system with the cooperation of all the interested institutions, in view of creating conditions for starting and developing private entrepreneurship, promoting micro-economy and changing the attitude towards it. The programme implementation is based on active co-operation with the local self-government units in the elaboration of their own incentive programmes; the cooperation of the existing local level institutions (Chamber of Crafts and Chamber of Commerce, entrepreneurs' associations and infrastructure), and on the funds ensured from the state and the local budgets, as well as from other sources (business banks' funds, international funds).

In further activities, for the purpose of creating conditions for the development of small and micro-enterprises, the implementation of the following is envisaged in 2001:

1. Expert assistance and information
2. Development of support infrastructure for entrepreneurship
3. Training for the needs of entrepreneurship
4. Financing
5. Support to technological development
6. Cooperation within micro-economy and that of micro-economy with the large economic systems
7. Legal regulations
8. International cooperation
9. Increasing competitiveness and encouraging export

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The best international practices shall be used in the process, as well as the work of a number of international institutions already engaged in the advancement of micro-enterprises in the country, such as the projects of organizations from the UN system (ILO, UNDP, UNIDO), and of bilateral donors (USAID, The Dutch Technical Cooperation, The British Know-How Foundation, and so on).

The development of micro-enterprises pays special attention to the promotion of women's entrepreneurship. According to the data of the Croatian Employment Institute, around 52.5 % of the unemployed are women, which means that their inclusion in the establishment or operation of micro-enterprises constitutes a significant factor of the self-employment policy.

Women are even less represented in crafts. They own only 33% of the total number of registered businesses. The number of women owning trade companies cannot be established, since the data on ownership are not collected on gender basis. According to some research programmes conducted, very few women own trade companies. There are also no reliable data on women executives in the economy, but all the indicators point that there are very few of them on executive positions.

Upon the incentive of the Croatian Parliament, currently under elaboration is the strategy of promoting women's entrepreneurship which will include a number of incentives to the benefit of women entrepreneurs. The strategy shall include the so far international projects' results, recommendations of global UN conferences, including HABITAT II, The 4<sup>th</sup> Women's conference in Beijing, as well as of the Special Session of the General Assembly on Istanbul+5 for the evaluation of the said conference's implementation i.e. Beijing+5.

The attention paid by Croatia to women's entrepreneurship is manifested in numerous international activities as well. While Croatia was chairing CEI (Central European Initiative), a project entitled "Women's Entrepreneurship – Co-operation Between East and West" (Brijuni islands, 1999) was launched. The conference was held in co-operation with OECD and the UN Economic Commission for Europe, passing a number of recommendations which were later adopted by the CEI countries' Government heads.

The Commission of the Republic of Croatia for gender equality also includes in its working programme the promotion of women's entrepreneurship.

#### 16. ENCOURAGE PUBLIC-PRIVATE SECTOR PARTNERSHIP AND STIMULATE PRODUCTIVE EMPLOYMENT OPPORTUNITIES

With Croatia's transition to economy based on market laws and private ownership, including the privatization of public enterprises, there occurred the closing of many production plants in urban surroundings, and in production dislocation. At the same time, the service-commercial sector has been strengthening, enabling the growth of small and micro-enterprises, with some state incentives for establishing enterprises closer to the place of residence.

The economy in the Republic of Croatia is interested in the new modalities and techniques of the public-private sector partnership, especially for the development of the necessary infrastructure and municipal services, such as energy, transportation, water supply and sanitation, waste disposal and telecommunications. Bearing in mind the difficulties of the local private sector, special attention is being paid to

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financial co-operation modalities with foreign partners, given the needs of the postwar rehabilitation and modernization of production and services.

Private infrastructure financing through Public-Private Partnerships (PPPs), including management contracts, joint ventures, concessions and privatization, as well as various innovative techniques, such as BOT (Build Operate Transfer), DBFO (Design Build Finance Operate), DCMF (Design Construct Manage and Finance), BLT (Build Lease and Transfer) and similar arrangements. The application of these co-operation forms has already financed two major intercity roads: The Istrian Y and 350 km of the Zagreb-Split four-lane motorway, while other infrastructural projects are under preparation. However, in order to furtherly strengthen co-operation between public and private sector, a number of issues need to be resolved, such as legal and regulatory framework, as well as a more efficient public administration co-ordination, referring particularly to better interaction with local communities.

Croatia has joined the efforts of international organizations and governments directed towards strengthening the private-public sector cooperation modalities. It participates in the work of the United Nations Economic Commission for Europe, the European Union, the European Bank for Reconstruction and Development, UNIDO and UNCITRAL. In November, 1997, Croatia hosted ECE workshop on BOT modality, while Croatia's Chamber of Commerce has presented to both the public and the private sector a publication by two local authors on the same subject, recommending practical application of proposed measures.

Croatia and UNIDO are co-ordinating the project document referring to the establishment of a centre for industrial subcontracting and partnership which shall be associated with the international network. The publication of demand and the offer of production possibilities would strengthen the possibilities of global public-private sector partnership.

In the scope of the "Southeastern Europe Stability Pact", the so called Investment Compact has been launched, envisaging a number of legal, regulatory, and institutional reforms in order to establish a system of non-discriminatory treatment of local and foreign investors with full protection of their property rights. The Investment Compact could thus become a significant subregional initiative for a further public-private sector partnership (PPPs) promotion, including municipal infrastructure projects.

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## **V GOVERNANCE**

### **17. PROMOTE DECENTRALIZATION AND STRENGTHEN LOCAL AUTHORITIES**

The Programme of the Government of the Republic of Croatia for the 2000-2004 period, being one among the tasks in the internal politics area, envisages the strengthening of both local and regional self-government. This task should be accomplished by expanding the circle of tasks of the local units, especially larger cities, by ensuring a greater degree of independence with regard to central authorities and administration, by adopting a general clause in setting the local jurisdiction, as well as subsidiary principle, as well as by limiting control solely to legality.

As a precondition for a successful realization of the said goals, the Programme envisages the increase of the local units' fixed capacity, to be achieved through redistribution of income raised through joint taxes and enabling new, more abundant local income sources, as well as the use of various non-fiscal financing instruments.

The Programme also envisages the creation of a new territorial organization which should be based on the recognition of regional specific characteristics. This particular goal should be achieved by establishing a smaller number of regional units through the connection of counties and the correction of their borders. At the same time, on the local level, one should implement the process of the local units' unification for the purpose of increasing their capacity and achieving a higher rationality degree of the local structures.

#### **The Local Self-Government Territorial Organization**

Today in Croatia there are 423 municipalities and 122 cities.

The entire territory of the Republic of Croatia is broken down into 20 counties (with the separate area of the City of Zagreb). Croatian counties have the average of 200,000 inhabitants and around 2,750 km<sup>2</sup> of acreage, with 6 towns and 21 municipalities included in their territory.

An average Croatian municipality encompasses 10 settlements, has 3,600 inhabitants and 86 km<sup>2</sup> of acreage, pertaining to the category of small local units in European terms. An average Croatian city – apart from the central urban settlement – encompasses another 20 surrounding settlements, has around 20,000 inhabitants and 167 km<sup>2</sup> of acreage.

The said condition is the reflection of the local self-government units' fragmentation process resulting in an increased number of municipalities and cities, which are frequently incapable financially, in terms of staff, or organizationally for an independent performance of the local services, which is why they are largely dependent on state assistance, again contributing to the strengthening of centralistic aspirations in the Croatian administration system.

That is why, after stopping the tendency of multiplying the basic local units (towns and cities), one must do the following:

- see which is the desirable size of a town from the viewpoint of its economic and financial capacities, rationality of organization and cost-effectiveness of operation on the one hand, and desirable degree of identification and motivation for public participation in local affairs on the other,
- prepare the instruments of an indirect orientation towards expansion of municipality size,
- utilize indirect measures to gradually adapt territorial organization to the regional structure and Croatia's development, taking into account local interests in the process,
- based on all of the above, prepare a proposal of the new local self-government territorial organization.

In order to achieve the goals set by the Government's programme, a reform of the local self-government system is being prepared as a part of the total public administration decentralization process. The result of the said reform should be the enabling of a more efficient and cost-effective meeting of the citizens' basic needs.

In the scope of the said process, local and regional self-government should primarily be strengthened. Local self-government should at the same time be a replacement for the activity of the central national authorities, as well as its counter-power. This means that local self-government needs to be set in such a way as to recognize and appreciate the existence of legitimate local interests, which may sometimes differ from the national ones, in order to enable the approaching of the citizens to the decision-making process and their greater participation, as well as better problem identification, better meeting of the needs, and taking responsibility on the part of the citizens to manage public affairs – all of which should lead to the decrease in concentration of political power in the central national authorities.

The said objectives should be met by:

- creating a new territorial organization to be based on rationality and recognition of the real specific characteristics and possibilities of the local and regional self-government units,
- widening the circle of affairs performed autonomously by the local units, and particularly by expanding the self-government scope of their own larger cities,
- a more rational organization of local and regional units more suitable for the local circumstances,
- the establishment of an electoral system stressing the choice of a person, more suitable for individual local units' types,
- expanding the types and forms of the local units' financing, as well as strengthening their financial capacity,
- ensuring a higher degree of independence with regard to the central authorities,
- increasing the expert and professional level of the local employees and balancing their salary with regard to state officials,
- inclusion of the City of Zagreb as Croatia's capital into the local and regional self-government as its integral part,
- proper dimensioning of the state bodies' control over local and regional units.

It may be concluded from what has just been said that the overall reform of the local self-government system requires changes in the areas of competence, financing, organization, election system, territorial organization, control system, position of the City of Zagreb and civil servants (working) relations.

The completion of the entire reform to encompass all the said areas should be performed before the regular local elections in 2005. However, certain changes in

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some of the said areas need to be implemented even before, which is why the reform shall proceed in two phases.

The entire process of the local self-government reform shall be co-ordinated with the state administration reform process. That is why it shall include all the sectors associated with the local self-government in terms of their competence.

The Physical Planning Act ensures management, protection, and spatial governance to the local authorities. The Law stipulates the commitment to elaborate spatial plans for municipalities and cities. These plans are, in the scope of procedure which is open for public, passed by local self-government. They constitute the primary basis for planning the use, arrangement and management of space in municipalities and cities. This enables the meeting of conditions for social and economic development, environmental protection, rational use of natural and historical goods based on the principle of integral approach to the planning of space.

All investment undertakings that could bear an impact on the environment require, under the Environmental Protection Act, mandatory elaboration of EIAs.

The said Laws also provide for legal and institutional framework ensuring to the local authorities and population preconditions for a high degree of independence and responsibility for the space in which they live.

## 18. ENCOURAGE AND SUPPORT PARTICIPATION AND CIVIC ENGAGEMENT

Croatia's joining of European and global associations make us adopt and apply their criteria. This means that the already began democratization processes in Croatia shall be strengthened and developed. It is to be expected that the citizens will be the most susceptible to the spending of funds which they are paying as tax payers, as well as for the conditions under which they live (work and dwell).

The multiparty democratic system that has existed in the Republic of Croatia only since 1990 is the necessary precondition for a responsible and efficient behaviour of the authorities in cities and settlements.

We should point out that Croatia has a long-standing tradition of adopting spatial development plans with public participation. The Physical Planning Act stipulates a mandatory public discussion of these plans and their passing on city i.e. municipal councils. A similar public participation procedure has been stipulated since 1984 for EIAs.

The strengthening of the civic society's influence on the passing of relevant decisions has encouraged the establishment of numerous citizens' associations. The total of 19,000 citizens' associations is thus now registered in Croatia. However, the real influence of most of these associations is still not considerable enough.

The Government Office for NGOs is soliciting for tenders every year, in order to grant funds. So far, there have been no projects that would offer their tenders for the areas encompassed by Habitat.

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## 19. ENSURE TRANSPARENT, ACCOUNTABLE AND EFFICIENT GOVERNANCE OF TOWNS, CITIES AND METROPOLITAN AREAS

### **The Local Self-Government Jurisdiction**

The legal provisions effective up to now have led to the situation occurring in some smaller or weaker units without economic or personnel capacities where the tasks pertaining to their jurisdiction on the basis of specific laws are simply not being performed, while on the other hand larger and stronger units are characterized by dissatisfaction, since they are capable of performing a much wider scope of tasks than the one they have been entrusted with.

For the purpose of surpassing the described situation, a new Self-Government Act is undergoing the enactment procedure, and this Act shall bring about the following changes:

- establish another self-government unit type apart from towns and cities - large cities,
- stipulate the local self-government jurisdiction in the way enumerating only the tasks from the self-government jurisdiction of municipalities as the smallest local self-government units, while the tasks from the self-government jurisdiction of cities and large cities should be stipulated by a general clause,
- establish different jurisdictions of individual self-government unit types according to their size and presumed possibilities,
- consider the possibility of prescribing obligatory and optional jurisdiction,
- transfer a part of the tasks currently performed as state administration tasks into the self-government domain,
- transfer a part of the state administration tasks to certain types and levels of the local self-government units as transferred jurisdiction tasks.

### **The Local Self-Government Financing System**

Local self-government units raise income from their own sources, from common taxes, and from subsidies. The share of the local units' budgets in GDP is merely 4-6%, while their share in overall budget funds has over the past years ranged from 13-18%. The very limited financial power of the local self-government units results in their considerable fiscal dependence on the state.

In order to strengthen the financial capacity of the local self-government units, the following changes have to be made in the local self-government financing system:

- increase the share of the local self-government units in common taxes proportionately with the tasks expanding their jurisdiction,
- establish additional own income sources of the local self-government units,
- expand the right to surtax setting to all local self-government units.

### **The Local Self-Government Organization**

By the new local self-government units' organization system certain changes are foreseen, enabling a more rational organization of the governing structure. Following this objective, one should:

- 
- reduce the number of local bodies in smaller units (for example: in the units of up to xxx inhabitants, only the council and the governor),
  - consider the possibility of directly electing the executive authority bearer in the local and regional self-government units (municipal governor, mayor i.e. county prefect),
  - abolish the local self-government unit's executive body, envisaging assistant executive power bearers as a replacement,
  - depending on the possible immediate election of the executive power bearer, regulate relations between him/herself and the representative body,
  - elaborate relations between the representative body and its Chairman with more precision,
  - determine the county-prefect as a completely self-governing regional official and executive power bearer in the county, and transfer his/her so far role of the state administration official in the county as well as his/her state official status to another appropriate state administration official.

### **The Control System**

In the area of control that, in practice, two conflicting interests and requirements are being confronted: The first one tending towards as greater a freedom of the local units i.e. their bodies in the decision-making and governing of local affairs as possible, as well as the other aiming for the need for the local units to be integrated within the total legal system.

The new envisaged control system protects the local self-government against unjustified intervention of the state bodies, while at the same time it is used to protect citizens' rights with regard to local bodies.

In view of achieving the said goals, one must:

- lawfully establish the principle according to which the administrative control of the local units' acts passed within their own jurisdiction encompasses only the control over their legality, while, only in cases where it concerns the performance of tasks transferred to local units, it may also encompass utility,
- more precisely determine authorities of the central state administration bodies in the control over local self-government, as well as the measures that may be undertaken,
- the possibility of dismissing a representative body on the part of the Government must be reduced to the lowest level possible, precisely defining conditions and reasons that may justify such dismissal,
- consider the possibility of dismissing the bearers of local i.e. regional executive authority under certain legal conditions.



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## **VI INTERNATIONAL COOPERATION**

### **20. ENHANCE INTERNATIONAL COOPERATION**

#### **Global Co-operation**

The Republic of Croatia has adopted the basic document of the HABITAT II Conference, The Istanbul Declaration on Human Settlements and Habitat Agenda including a series of co-operative activities within the UN system, multilateral organizations and groupings, bilateral donors, and all the civic society participants.

With regard to Habitat Agenda implementation, Croatia's activities in the UN Economic and Social Council (ECOSOC) and the Commission for Human Settlements (UNCHS) have to be pointed out, in which Croatia participates as a member.

Furthermore, Croatian representatives regularly follow and participate in the work of the Committee for Environment and Human Settlements of UN ECE, considering and proposing a number of necessary measures of special importance for the countries with economies in transition and serve as the forum for the exchange of best practices. Croatian representatives have also been actively following the work of expert meetings dedicated to housing and urban development, such as, for instance, the URBAN 21 Conference on the Future of the Cities.

Croatia also takes part in the activities of a number of the UN system organizations in areas of significance for the implementation of Habitat Agenda, such as, for instance, The International Labour Organization (ILO), UN Industrial Development Organization (UNIDO), UN Education, Science, and Culture Organization (UNESCO), World Health Organization (WHO), and UN Development Programme (UNDP), as has been pointed out in the corresponding parts of the present Report.

It also develops co-operation with the World Bank, the European Bank for Reconstruction and Development (EBRD), and the Global Environmental Facility (GEF).

#### **Regional Co-operation**

Croatia is a member of several regional multilateral forums, such as the Central European Initiative (CEI), the Adriatic Ionian Cooperation, Initiative for the Co-operation of SEE (SECI), The Danube Commission, The Alpe Adria Working Community and the Danube Basin Regions Working Community, within which programmes from the area of environmental protection, infrastructure building and spatial planning of importance for the implementation of Habitat Agenda are being performed. Croatia's participation in the processes promoted by the Stability Pact for South East Europe includes a number of co-operation projects complementary with the Habitat Agenda. Furtherly, the implementation of the four-lateral co-operation guidelines among Croatia, Italy, Hungary and Slovenia, as well as that three-lateral among Croatia, Austria and Slovenia encompass co-operation in the area of environmental protection, traffic and spatial planning. Within the SEE Co-operation Process, concrete complementary areas' programmes have also been announced.

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Since regional co-operation represents an additional mechanism in the European integration process, for some programmes, there are even the EU/EC budget funds available intended for regional projects. At the same time, the co-operation of regional forums with international organizations is realized through concrete activities and joint programmes, with the financial support of the member states, international organizations and financial institutions.

Considerable attention is being paid to cooperation with the neighbouring countries through cross border and transborder co-operation, particularly in the scope of Alps-Adria, co-operation of the Danube River Basin region countries, and so on. Due to the needs for connection and co-operation strengthening on all levels, physical association projects of transborder areas are being prepared and integrated into the wider European context. This particularly regards the area of Northern Adriatic and traffic directions connecting Croatia, Slovenia and Italy; protection of natural resources in border areas with Slovenia, Hungary and Bosnia and Herzegovina, referring to the transborder basins of Drava, Danube, Sava, Sutla, Kupa and Neretva, as well as to the implementation of the environmental conventions adopted.

Some of the bilateral technical co-operation projects also include actions of importance for the development of towns and settlements, such as GTZ, the Dutch Technical Co-operation, US AID, and other projects.

Co-operation with foreign NGOs includes a number of areas, particularly in view of supporting democratization, promoting human rights implementation, mitigation of the consequences of the aggression against Croatia, clearing of mines, and so on. As an example, we may mention the activities of international foundations, collecting contributions for the protection of the sea, the natural and cultural heritage, and the reconstruction and rehabilitation of cultural monuments in Croatian cities affected by war destructions.

Among international activities planned in the current year, we particularly point out those to be carried out by the Croatian academic community.

Towards the end of June, the Zagreb University Centre in Dubrovnik shall host the 4<sup>th</sup> International Mediterranean Women Forum Congress, pertaining to UNESCO's network, on the subject of "Women and the City: From the Outskirts to the Centre", encouraging, through a number of recommendations, a more pronounced involvement of women in resolving the social and economic issues of Mediterranean cities.

The Croatian academic community develops scientific co-operation with a number of its related institutions in the world. The world congress of the European Academic Institutions Involved In Regional Development – EURADA will thus take place in Zagreb towards the end of August, 2001.

One among the goals of Croatia's international cooperation on the multilateral, regional and bilateral plan is the use of information, as well as of the best practices, in order to advance the existing co-operation modalities. The linking of certain pieces of information into a global network, which will be feasible owing to the advancement of the information and communication technology, is considered as precondition for a faster, better quality and more transparent information system on the possibilities and modalities of international cooperation on all levels – from global to local. The development of such a network should enable a faster realization of the postulates stated in the Agenda adopted at the Habitat II Conference.

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The world economy globalization is, in spite of increased efficiency and products and services price reduction, accompanied by the marginalization of a number of regions and countries, including the countries with economies in transition, causing the increase of both absolute and relative poverty.

One among the goals proclaimed at the UN Millenium Summit held in New York from 20-22 September, 2000, requires the creation of both national and global surroundings leading towards development and eliminating poverty, including adequate housing for all, which is a precondition for the preservation of world peace and regional stability.



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## **VII FUTURE ACTIONS AND INITIATIVES**

### **DEVELOPMENT PRIORITIES**

In future activities, the priorities in the area of Habitat Agenda implementation should be the ensurance of preconditions for sustainable urban development. This implies the development of cities and settlements co-ordinated with both natural and material possibilities. Apart from that, it is necessary to ensure an adequate increase in the number of workplaces in order to increase the possibility of employment and self-employment.

An important precondition for that is the model of polycentric and balanced development which must be established and implemented for the entire territory of the Republic of Croatia. Such a model should assign greater importance to the development of small and medium towns, constituting Croatia's characteristic feature. These towns ensure the co-ordination of their development with their region, at the same time offering the opportunities for lower shelter costs, higher living standard, and more efficient environmental protection.

### **PRIORITIES FOR SUSTAINABLE URBAN DEVELOPMENT**

Integral approach to planning, arrangement and management of urban space and its natural surroundings are a priority task in achieving sustainable urban development. The factors of such an approach are as follows:

- education of all participants in planning, arrangement and management processes based on directing and surveilling economic processes in compliance with environmental possibilities,
- development of cities and settlements in proven healthy and protected areas,
- stimulating the development of medium-sized cities associated with their region and relying upon autochthonous resources,
- preservation and reconstruction of historic urban and settlement cores,
- realization of infrastructural and economic preconditions for the employment and keeping of inhabitants in depopulation areas (especially islands and mountainous areas),
- physical safety (natural and technical accidents, war threats, and the like),
- advancing traffic connection relying on environmentally tolerable means in the process
- reducing urban pollution (air, water, soil),
- strengthening institutional association, and
- strengthening public participation.

### **PRIORITIES FOR CAPACITY BUILDING AND INSTITUTIONAL DEVELOPMENT**

Habitat Agenda should serve as incentive for the elaboration and application of its achievements on the level of cities and settlements in the Republic of Croatia. In this sense, it is necessary to make the existing municipal expert, administrative and communal institutions competent and ensure their interaction with the institutions on national level.

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It is necessary to co-ordinate properly data collection and presentation in compliance with urban indicators shaped by Habitat. All large cities should furtherly equip their services for monitoring the condition in compliance with urban indicators.

### PRIORITIES FOR INTERNATIONAL COOPERATION

Croatia's first and foremost need when it comes to international cooperation in the area of human settlements and housing is to ensure the return of refugees and displaced persons into their homes, in compliance with its programmes. This priority task may not be achieved without co-operation with the neighbouring countries or without financial assistance on the part of the international community. The assistance is primarily necessary for the advancement of economy and employment, for reconstruction of war-torn homes and infrastructure, as well as for the clearing of huge areas of mines, which is a complex process of long duration.

In international cooperation, Croatia is prepared to offer the assistance of its experts experienced in the planning and arrangement of cities, settlements and facilities damaged in destructions caused by war and natural disasters.

One among the successful examples of the best practices is the reconstruction of the historical town of Ston (near Dubrovnik), which was exposed to war destructions, fire and earthquake.



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**REPUBLIC OF CROATIA**  
**NATIONAL HABITAT COMMITTEE**

Country Report Annex 1

**URBAN INDICATORS**  
for  
**REPUBLIC OF CROATIA**

**MINISTRY OF ENVIRONMENTAL PROTECTION  
AND PHYSICAL PLANNING**

March, 2001





**REPUBLIC OF CROATIA**  
**NATIONAL HABITAT COMMITTEE**

Country Report Annex 2

**URBAN INDICATORS**  
for  
**CITY OF ZAGREB**

**MINISTRY OF ENVIRONMENTAL PROTECTION  
AND PHYSICAL PLANNING**

March, 2001



## Indicators for Istanbul +5

### Focal point identification

Insert Date:

March/2001

Type CITY and COUNTRY Information Here...

Zemlja: HRVATSKA

Grad: ZAGREB

UN Region: EUROPA

(Africa, Arab States, Asia Pacific, Highly Industrialised, Latin America & Caribbeans, Transitional)

What is the rank of the city in the country (in terms of population) ?

1

(example: rank for Nairobi is 1 in Kenya)

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### country level

How many cities are there in

COUNTRY

?

122

What is the definition

The city is a major compact settlement (as a rule with more than 10,000 inhabitants) with adequate physiognomic properties, with non-agrarian and service functions, and with the city way of life

prevailing. (there is no official definition)

What is the percentage of the total country population living in urban areas ?

67.1%

What is the definition of urban areas?

Urbanized areas are areas in or around the city, which have undergone functional, physiognomical, socioeconomic transformation through several development indicators (reduced share of agricultural population below 10% etc.). (there is no official definition)

## Chapter 1: Shelter

### 1. Provide security of tenure

#### indicator 1 - tenure types

##### country level

##### Type of tenure:

1993

1998

1993

1998

% of all households

% of all households

% of women-headed households

% of women-headed households

##### 1. Formal Ownership:

Owned

Purchasing (mortgage)

sub-total

69.6%

94.0%

18.0%

18.0%

##### 2. Tenancy:

Private rental

Social Housing

Sub-tenant

sub-total

25.5%

6.0%

2.0%

1.7%

28.2%

##### 3. Squatter:

without rent

with rent

sub-total

##### 4. Other

homeless

other

sub-total

1.2%

please provide sub-totals if information is not available

TOTAL (should be equal to 100%)

100.0%

100.0%

Among those tenure status, which ones are the most precarious ?

In 1991, 306,818 tenure rights were bought off and transferred to the ownership of the tenants. An apartment which has been occupied unlawfully and is owned by another person is the unsafest tenure type.

What would be the estimated percentage of households with precarious tenure ?

2%

#### indicator 2 - evictions

##### city level

past five years

##### number of evicted households:

1993

1998

1993-1998

men-headed households

women-headed households

all households

% of evicted from squatter settlements

Explain the main reasons of the decrease or increase in the number of evictions:


## 2. Promote the right to adequate housing

### qualitative data 1: housing rights

#### country levels

##### 1.Does the Constitution or national law

promote the full and progressive realisation of the right to adequate housing ?

yes

include protections against eviction?

yes

##### 2. Are there particular impediments :

to owning land ?

restitution of nationalized land

to inheriting land and housing ?

none

to taking mortgages in their own names ?

none

to women owning land ?

none

to women inheriting land and housing ?

none

to women taking mortgages in their own names ?

none

to particular groups owning land ?

none

to particular groups inheriting land and housing ?

none

to particular groups taking mortgages in their own names ?

none

Please describe any changes in terms of housing rights since 1996:

There was no change in housing rights. Some legal regulations could not be respected in the war and postwar period, because a part of displaced persons and refugees who were unable to return to their homes had to move into those belonging to others.

### Indicator 3: House price and rent-to-income ratios

#### city level

1993

1998

Median house price

Median rent

Median annual household income

Median household income of renters

A

B

C

D

House price / household income	<input type="text"/>	<input type="text"/>	A/C
House rent / household income	<input type="text"/>	<input type="text"/>	B/D

What changes do these results suggest in terms of housing affordability ?


### 3. Promote equal access to land

#### Indicator 4: Land price-to-income ratio

city level		Land price			Income	Land price to income ratio
1993		Minimum price of 1 m2	Maximum price of 1 m2	Median price of 1m2	Median Household income per month (US \$ 1993)	
Highly developed land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Developed land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Raw land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

city level		Land price			Income	Land price to income ratio
1998		Minimum price of 1 m2	Maximum price of 1 m2	Median price of 1m2	Median Household income per month (US \$ 1998)	
Highly developed land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Developed land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Raw land	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

What changes do these results suggest in terms of land affordability ?


### 4. Promote equal access to credit

#### Indicator 5: Mortgage and non-mortgage

city level		1993	1998
% of dwellings purchased:			
that are covered by mortgages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
that are covered by non-mortgages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
loans attributed:			
mortgage loans:	<input type="text"/>	<input type="text"/>	<input type="text"/>
non-mortgage loans:	<input type="text"/>	<input type="text"/>	<input type="text"/>

What changes do these results suggest in terms of access to mortgage and non-mortgage loans ?


## 5. Promote access to basic services

### Indicator 6: access to water

country level			
% of households with access to water	1993	1998	
all settlements	85.0%	85.0%	within 200 m from the house
informal settlements			within 200 m from the house

What changes do these results suggest in terms of access to water ?

In Croatia, there is a high degree of good quality drinking water accessibility.
Water supply problems exist in karst regions and islands.

### Indicator 7: household connections

country level			
%			
households connected to :			
	1993	1998	Only households directly connected within their house
in all settlements: water	49.0%	57.0%	
sewerage	15.0%	19.0%	
electricity	96.0%	98.0%	
telephone	17.2%	35.0%	
in informal settlements: water			
sewerage			
electricity			
telephone			

What changes do these results suggest in terms of access to services ?

The laws do not permit connecting illegal buildings to public utilities.
Wherever possible, efforts are made to legalize illegal buildings.
Sewerage includes the number of connections to the public sewerage network.

## Chapter 2: Social development and eradication of poverty

## 6. Provide equal opportunities for a safe and healthy life

### Indicator 8: under-five mortality

#### country level

	1993	1998	
female	0.16%	0.09%	number of death for children below 5 years old during the year/ average number of live birth during the last 5 years
male	0.23%	0.13%	
TOTAL female and male	0.19%	0.11%	

What are the reasons of the increase or decrease of child mortality ?

If there is no notable change, what is planned to improve the level of child mortality ?

The reason for mortality decrease lies in increasing the health service standard after the war.  
Further advancement of the health service and health protection of pregnant mothers and infants has been envisaged.

### Indicator 9: Reported crime rates

#### city level

	annual number of victims			
	male	female	all	
<b>1993</b>				
Homicides	-	-	-	/1000 population
Rapes	-	-	-	/1000 population
Thefts	-	-	-	/1000 population
<b>1998</b>				
Homicides	-	-	-	/1000 population
Rapes	-	-	-	/1000 population
Thefts	-	-	-	/1000 population

What are the reasons of the increase or decrease of crimes ?

Do these results reflect the safety conditions for the population ?


### Qualitative data 2: urban violence

#### city and country levels

In the city or the country, are there:

- a) areas considered as dangerous or inaccessible to the police
- b) violence at school
- c) an official policy against domestic violence
- d) a crime prevention program
- e) a weapon control policy
- f) victim of violence assistance programme(s)

1993	1998
no	no
no	yes
yes	yes
yes	yes
yes	yes
yes	yes

## 7. Promote social integration and support disadvantaged groups

### Indicator 10: Poor households

#### city level

1993

1998

	Total number ('000)	% of households	Total number ('000)	% of households
Households	-		-	
Women-headed households	-		-	
Poor households	-	0.0%	-	0.0%
Women-headed households	-	0.0%	-	0.0%
<b>1993</b>			<b>1998</b>	
poverty-line in US\$ / month:	US\$ / month		US\$ / month	
one person	\$0.0		\$0.0	
two persons	\$0.0		\$0.0	
average household	\$0.0		\$0.0	
Definition of poverty-line 1993:				
Definition of poverty-line 1998:				
What are the factors of the increase or decrease of poverty ?				
What measures have been undertaken to alleviate poverty ?				

## 8. Promote gender equality in human settlements development

### indicator 11: female-male gaps

country level				
1993 data				
	female	male	1993 female-male gap	
Primary school enrolment ratio	48.6%	51.4%	2.8%	%
Secondary school enrolment ratio	50.6%	49.4%	1.2%	%
Tertiary school enrolment ratio	47.4%	52.6%	5.2%	%
Adult literacy rate	95.2%	98.8%	3.6%	%
Life expectancy at birth	76.0	68.6	7.4	years
Under-five mortality	0.16%	0.28%	0.12%	%
Unemployment	19.60%	13.60%	3.00%	%
number of elected or nominated councillor at the local level per 10,000				/10,000 population
country level				
1998 data				
	female	male	1998 female-male gap	

Primary school enrolment ratio	48.6%	51.4%	2.8%	%
Secondary school enrolment ratio	50.5%	47.0%	3.5%	%
Tertiary school enrolment ratio	53.0%	47.0%	6.0%	%
Adult literacy rate	95.2%	98.8%	3.6%	%
Life expectancy at birth				years
Under-five mortality	0.09%	0.13%	4.00%	%
Unemployment	21.70%	17.10%	4.60%	%
number of elected or nominated councillor at the local level per 10,000	5.5/100			/10,000 population

What measures have been undertaken to reduce the female-male gaps ?

There are no legal differences among the rights of men and those of women.

The Commission of the Government of the Republic of Croatia for the equality of the sexes has elaborated National Policy for Promoting Equality of the Sexes with the accompanying Action Plan.

The number of female representatives in the Croatian Parliament has gone up from 5.5 - 21%.

### Chapter 3: Environmental management

#### 9. Promote geographically-balanced settlement structures

##### indicator 12 - urban population growth

###### country level

The annual growth rate should be taken for the last five years (1993-1998).

If another reference period was taken for the calculation, please indicate:

starting year:	1991	ending year:		for the period
	Male population	Female population	Total population	
<b>1991</b>				
Metropolitan area*	1 166,70	1 280,00	2 446,70	in thousand population
Urban Agglomeration*	554.650	614.200	1 168,85	in thousand population
National Urban				in millions
National	2.318	2.466	4.784	in millions
<b>1998</b>				
Metropolitan area*				in thousand population
Urban Agglomeration*				in thousand population
National Urban				in millions
National				in millions



**Growth rate:**

Metropolitan area*			20.00%	in percentage
Urban Agglomeration*			20.00%	
National Urban National				

\* see definitions in the companion guide

## 10. Manage supply and demand for water in an effective manner

### Indicator 13: Consumption of water

#### city level

daily household consumption / person:	1993	1998	
in all settlements			liters/pers./day
in informal settlements			liters/pers./day

What measures have been taken for reducing water consumption or increasing the water supply ?

Is the demand-supply for water managed in an effective manner ?


### Indicator 14: Median price of water

#### city level

	1993	1998	
highest price			US\$/m3 (1000 liters)
lowest price			US\$/m3 (1000 liters)
median price in all settlements			US\$/m3 (1000 liters)
optional:			
median price in informal settlements			US\$/m3 (1000 liters)

What do these results suggest in terms of water affordability for the population ?

Have any new water pricing policy been undertaken in the last 5 years ?


## 11. Reduce urban pollution

### Indicator 15: Air pollution

city level	1993		1998	
	number of days exceeding WHO standards during the year	average annual concentration (micro g / m3)	number of days exceeding WHO standards during the year	average annual concentration (micro g / m3)
Sulfur dioxide (SO2)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Nitrogen dioxide (NO2)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Ozone (O3)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Carbon monoxide (CO)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Lead (Pb)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

  

WHO standards:	Averaging time	WHO Guidelines value	
Sulfur dioxide (SO2)	24 hours	125	micro g / m3
Nitrogen dioxide (NO2)	1 year	40	micro g / m3
	1 hour	200	micro g / m3
Ozone (O3)	8 hours	120	micro g / m3
Carbon monoxide (CO)	8 hours	10,000	micro g / m3
Lead (Pb)	1 year	0.5	micro g / m3

What do these results suggest in terms of air pollution for the population ?

If data is not available, are there signs of increased air pollution ?

What measures have been or should be undertaken to correct the trend ?

### Indicator 16: Wastewater treated

city level	1993	1998	% of wastewater
	<input type="text"/>	<input type="text"/>	

results should include primary, secondary and tertiary treatments

What do these results suggest in terms of quality of life for the population ?

What measures have been undertaken to correct the trend ?


Indicator 17: solid waste disposal

city level

	1993 % of solid wastes	1998 % of solid wastes
Sanitary landfill		
Incinerated (in incineration plants)		
Open dump		
Recycled		
Burned (openly)		
other		
TOTAL		

What measures have been undertaken to reduce the impact of solid wastes on the environment ?


12. Prevent disasters and rebuild settlements  
Qualitative data 3: disaster prevention and mitigation instruments

city and country levels

In the city or the country, are there:

	1993	1998
a) building codes based on hazard and vulnerability assessment ?	yes	yes
b) hazard mapping ?	yes	yes
c) disaster insurances for public and private buildings ?	yes	yes

Are disaster insurances compulsory for public buildings ?

	yes	yes
--	-----	-----

What measures and actions have been undertaken in terms of disaster prevention and mitigation ?

Is the capacity for post-disaster response effective at the city level ? What are the mechanisms in place ?

Preventive protection against disasters has been implemented already in the procedure of settlement and city planning.
Legal, institutional and technical basis has been determined for prevention, preparedness and proceeding in cases of major accidents, environmental accidents and disasters.

### 13. Promote effective and environmentally sound transportation system

#### Indicator 18: travel time

city level	1993	1998	
average travel time	<input type="text"/>	<input type="text"/>	in minutes for a one-way trip
What do these changes suggest in terms of quality of life for the population ?			
What policies have been undertaken in order to make the transportation system more effective?			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			

#### indicator 19: transport modes

city level		1993	1998	
% of work trips undertaken by:				<i>if details are not available, please provide the sub-total for each main category.</i>
1. Private motorised:	private cars	<input type="text"/>	<input type="text"/>	% of all work trips
	Motorcycle	<input type="text"/>	<input type="text"/>	% of all work trips
	sub-total	<input type="text"/>	<input type="text"/>	% of all work trips
2. Train and tram:	Train	<input type="text"/>	<input type="text"/>	% of all work trips
	Tram	<input type="text"/>	<input type="text"/>	% of all work trips
	sub-total	<input type="text"/>	<input type="text"/>	% of all work trips
3. Bus and minibus:	Bus	<input type="text"/>	<input type="text"/>	% of all work trips
	Minibus	<input type="text"/>	<input type="text"/>	% of all work trips
	sub-total	<input type="text"/>	<input type="text"/>	% of all work trips
4. Non-motorised:	bicycle	<input type="text"/>	<input type="text"/>	% of all work trips
	walking	<input type="text"/>	<input type="text"/>	% of all work trips
	others	<input type="text"/>	<input type="text"/>	% of all work trips
	sub-total	<input type="text"/>	<input type="text"/>	% of all work trips
	TOTAL	<input type="text"/>	<input type="text"/>	should be equal to 100%
What do these changes suggest in terms of quality of life for the population ?				
What policies have been undertaken in order to improve the transportation system ?				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				

### 14. Support mechanisms to prepare and implement local environmental plans and local Agenda 21 initiatives

qualitative data 4: local environmental plans

### country level

1. How many cities have established long-term strategic planning initiatives for sustainable development, involving key partners?

21

2. Is this process institutionalized at the national level and/or has there been any legislative change to support cities to engage in sustainable development planning processes?

yes

### city level

3. Has the city established a long-term strategic planning initiative for sustainable development, involving key partners?

yes

4. Is the city implementing local environmental action plans involving key partners ?

yes

Please describe the major initiatives :

Spatial Planning Strategy and Programme of the Republic of Croatia have been elaborated and adopted by the Parliament.

Sustainable Development of the Republic of Croatia Strategy and Programme are currently under elaboration.

The Report on the State of the Environment in the Republic of Croatia is published for the general public.

## Chapter 4: Economic development

### 15. Strengthen small and micro-enterprises

#### indicator 20: informal employment

##### country level

As part of the total workforce:

	1993	1998	
% employed men	6.6%	8.6%	in the informal sector
% employed women	9.8%	10.8%	in the informal sector
% employed men and women	8.2%	9.8%	in the informal sector

What does this trend suggest ? What institutional changes have been undertaken to cope with the needs of the informal sector (fiscal policies, credit to small and micro-enterprises, legislations to protect the rights of employees, etc.) ?

The number of unemployed has been on the increase. Social welfare policy measures are being implemented.

The data given are based on the estimate that, out of the totally recorded number of those unemployed, 50% are working unofficially.

### 16. Encourage public-private sector partnership and stimulate productive employment opportunities

## qualitative data 5: public-private partnerships

### city and country levels

1. Have some major public enterprises involving the delivery of services in cities established partnerships with private firms during the last five years at the city level?

yes

How many ?

10

2. Have some major public enterprises involving the delivery of services in cities established partnerships with private firms during the last five years at the country level?

no

How many ?

0

Have public-private partnership become a more common practice in the last five years ?

Have they been effective ? Have they offered a greater flexibility in the management and higher degree of transparency, efficiency and accountability in their operation ?

Is the cost-recovery of services higher ?

The scope of costs, service expenses and especially that of investment works financed from the city budget or loans has increased. There are 26 public city companies in the City of Zagreb.

The City of Zagreb has not managed yet to introduce an efficient manner of control and management of the public city companies in order to increase their efficiency, control, and accountability (transparency).

### indicator 21: city product

#### city level

1993

1998

City product  
Gross National Product

per person  
per person

Which method was used for the calculation of the city product (see definitions) ?

method A

method B

What do this trend suggest in terms of urban economic development ?

Are cities economies growing more than national economies ? (compare trends of city product with trends in gross national product).

### indicator 22: unemployment

#### country level

1993

1998

% of total unemployed that are men

42.5%

47.5%

in the total workforce

% of total unemployed that are women

47.3%

52.5%

in the total workforce

% unemployed men and women

16.4%

19.2%

in the total workforce

What do this trend suggest in terms of employment opportunities for men and women ?

What are the impacts of unemployment on the urban economy and social development ?

What measures have been undertaken to curb negative trends ?

Unemployment is one among the basic problems in the Republic of Croatia. The high degree of unemployment characterizes the current social situation and is one among the priority tasks of the Government. The stress has so far been on economic revitalization.

## Chapter 5: Governance

### 17. Promote decentralisation and strengthen local authorities

#### Qualitative data 6: level of decentralization

##### city and country levels

#### 1. Can higher levels of government (national, state/provincial):

- a. Close the local government ?  erase inappropriate  
 b. Remove councillors from office  erase inappropriate

#### 2. Can the local government, without permission from higher governments:

- a. Set local tax levels ?    erase inappropriate  
 b. Set user charges for services ?    erase inappropriate  
 c. Borrow funds ?    erase inappropriate  
 d. Choose contractors for projects    erase inappropriate

#### 3. Is the amount of fund transfers from higher governments known in advance of the local budget setting process ?

erase inappropriate  
 If yes, give a percentage:

Have major responsibilities, policy management, decision-making authorities and resources been decentralised at the local level ? If not, is there a process of decentralisation in place ?

Do you consider that decentralisation has improved the level of governance ?

Decentralization of power has been on the increase. The Law on Local Government and Self-Government is also under passing.  
 In the period 1990-2000, Zagreb as the Capital had no local self-government at the lower level; the establishment of local-selfgovernment (committees of town districts) has started in early 2001.

### 18. Encourage and support participation and civic engagement

#### Qualitative data 7: citizen involvement in major planning decisions

##### city level

#### Are cities involving the civil society in a formal participatory process prior to:

- a) new major roads and highway proposals ?  
 b) alteration in zoning ?  
 c) major public projects ?

**1996**

**2000**

Has there been any progress in the area of local participation ?

Do you consider that participatory processes in place are adequate ? Are institutional and legal

frameworks sufficient to ensure the right level of participation and civic engagement ?


## 19. Ensure transparent, accountable and efficient governance of towns, cities and metropolitan areas

### Qualitative data 8: transparency and accountability

#### city level

At the local government level, are there:

- a) regular independent auditing of municipal accounts ?
- b) published contracts and tenders for municipal services ?
- c) sanctions against faults of civil servants ?
- d) laws on disclosure of potential conflicts of interest ?

1996

yes/no
yes/no
yes/no
yes/no

2000

yes/no
yes/no
yes/no
yes/no

Has there been any progress in improving governance ?

What measures have been undertaken in this area ?


### indicator 23: local government revenue and expenditures

#### city level

local government revenue  
local government expenditures

1993

\$0.00
\$0.00

1998

\$0.00
\$0.00

in \$ US (3 years average)  
in \$ US (3 years average)

revenue less expenditures

\$0.00
--------

\$0.00
--------

in \$ US (3 years average)

What do these figures suggest ?

What are the impacts of these trends in terms of delivery of services at the local level ?


## Chapter 6: International cooperation

### 20. Enhance international cooperation and partnerships



## Qualitative data 9: engagement in international cooperation

### city and country levels

#### 1. Is the country involved in international cooperation ?

as receiver ?

1996

yes

2000

yes

as donor ?

yes

yes

#### 2. For donor countries:

what is the total amount provided to urban areas ?

In how many countries?

BiH

BiH

#### 3. For recipient countries and cities:

what is the total amount received by the country?

what is the total amount received by the city?

#### 3. For cities:

Is the city affiliated to one or more association of local authorities?

yes

yes

Is the city involved in direct city to city cooperation?

yes

yes

What do these figures suggest ?

In which particular areas has international cooperation made progress (capacity-building, technology transfers, etc.) ?

The City of Zagreb is a member of the International Network of Sustainable Cities and Settlements

co-ordinated by ICLEI (International Council for Local Environmental Initiatives), Assembly of

European Regions, World Historic Cities League and Network of Eurocities.

The City of Zagreb is friends with 19 different cities on all continents. It has co-operation agreements

with 5 cities. In the area of development and management, particular co-operation has been

established with Vienna and Munich.