# **WIO** Client Alert

## New Croatian Lobbying Act: key takeaways for companies

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The Croatian Lobbying Act (Official Gazette 36/2024, the "Act") entered into force on 1 October 2024, marking Croatia's first comprehensive regulation of lobbying activities. The Act establishes significant new rules for lobbyists and companies alike, requiring compliance when interacting with public officials to advocate for business or organisational interests. This regulatory development represents a transformative shift in how entities engage with policymakers and will necessitate careful attention to adherence with these newly established standards.

The key terms and principal takeaways of the Act, with regard to companies, are outlined below.

#### Key terms

Key terms introduced by the Act include the following:

- Beneficiary of Lobbying: The person or company on whose behalf a lobbyist engages in lobbying activities.
- Lobbyist: A person or company that engages in lobbying and is registered in the designated public register.
- Lobbied Person: An individual or entity responsible for public decision-making who consents to communication with a lobbyist.
- **Lobbying**: Any oral or written communication with a lobbied person aimed at promoting specific interests or influencing decision-making for the benefit of the lobbying beneficiary.

#### Why is this important for companies?

Under the new regulations, companies must adapt to enhanced transparency and compliance obligations as follows:

- **Disclosure requirements**: Companies are required to disclose meetings with public officials and report any political contributions made.
- **Prohibition on gifts**: Offering gifts to officials is prohibited. It is our view that while the Act does not specify a material threshold for gift value, companies should exercise caution in offering any form of gratuity to avoid potential risk.
- Compliance recommendation: The new statutory framework will require a proactive compliance strategy in
  order to mitigate potential legal or even reputational risks. We believe companies should revisit and, if
  necessary, update their internal ethical codes to align with the Act's standards.

Non-compliance with these requirements may result in fines for legal entities of up to EUR 20,000. The Commission for the Resolution of Conflicts of Interest acts as the supervising authority.



### About Wolf Theiss

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