SECURITY - INTELLIGENCE
AGENCY

PUBLIC REPORT
2015

OUR MISSION

We detect, investigate and understand security threats and challenges by collecting and analysing information significant for national security, thus providing the state leadership and other state bodies with reliable intelligence support in decision-making and acting to protect Croatia's national security, interests and the well-being of its citizens.

OUR VISION

A modern, efficient and responsible security-intelligence agency, suitable to requirements, focused on the accomplishment of its mission and achievement of top results, with a significant national influence and impact and a regional reach, recognized by its developed capabilities, excellent employees and strong partner ties.

OUR VALUES

EXCELLENCE

- Striving to accomplish the highest standards in everything we do
- Focusing on finding solutions and achieving results
- Dedication to constant improvement and learning through execution of tasks
- Encouraging creativity and innovation
- Demonstrating leadership and professionalism through personal example
- Using modern techniques and tools in our work

INTEGRITY

- Responsibility, discretion, reliability, and commitment to the execution of tasks
- Patriotism and pride through responsible work
- Optimism, morality, and courage in difficult situations
- Loyalty to the Agency, its mission and values
- Respecting the norms of the security culture
- We evaluate ourselves according to the values and results we bring to the service on a daily basis

ACCOUNTABILITY

- We operate strictly within our legislative framework and with respect for ethical and professional standards
- We are accountable for our work to the competent authorities
- Parliamentary, expert, and civilian oversight additionally ensure the lawful conduct of the Agency

TEAMWORK

- Achieving success together, sharing risks, and helping each other
- We value our colleagues and respect our differences
- We foster honest and open communication
- We are provided with equal opportunity possibilities dependent upon our qualities, skills, and knowledge
- We are committed to building strong and reliable relations with other state bodies, institutions, and international partners

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INTRODUCTORY REMARKS

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Dear Readers,

National security is ensured by the joint efforts of citizens and state bodies. It is therefore necessary for the effective protection of national security to inform the public of the dangers and threats with which we are faced. At the same time, it is also our obligation toward the citizens whose support we need in our work.

Last year we published a public document on our work for the first time. The publication was well received by professional circles and the general public, which provided us with confirmation that the opening up of the Agency was a step that has strengthened national security and increased the confidence of our citizens in the institutions which protect them.

It should, however, be kept in mind that SOA is engaged in security-intelligence work, meaning that a large part of our work must remain "invisible" to the public, whereby we protect the citizens and national interests, as well as our employees, methods, and means of operating.

In the implementation of its duties, SOA has on occasion, and in line with the law, infringed upon the privacy of certain individuals. We carry out these measures professionally and responsibly and never without a serious reason. In the process, our attention is focused exclusively on persons we justifiably suspect, based on their intentions or acts, of presenting a threat to national security and the interests or security of our citizens. The developed multiple and diversified oversight of our work is a guarantee that these sensitive tasks are conducted in accordance with the Constitution and the law.

In the operative and analytical work undertaken last year, we adhered to the Annual Guidelines for the Work of Security-Intelligence Agencies, which SOA receives from the state leadership. The best indicator of our work is that in the course of the previous year Croatia was a secure and stable state, which is a precondition for economic and general social development.

Security challenges the Agency deals with have illustrated how important our cooperation is with our international partners. Therefore, we are continuing to build confidence and partnerships with security-intelligence services with whom we share not only common democratic values but also risks. SOA is also active in EU and NATO bodies and a number of international multilateral security-intelligence platforms.

The Development Plan adopted in 2013 was the guiding document in the management of the Agency, ensuring that the organizational and operational changes we are introducing in SOA would be planned and systematic.

We have exerted considerable efforts in the continued development of our human resources management system. The hiring of personnel is based on new internal regulations, which guarantee that employment corresponds to the needs of the Agency according to demanding, objective, and high professional selection criteria.

On this occasion we would like to again encourage young, educated, and motivated individuals who welcome challenge and wish to contribute to the general well-being of our country to apply for employment in SOA. We guarantee that we will conduct a demanding and competitive selection procedure with equal opportunity for all.

Depending upon economic conditions; we are continually searching for ways to optimize our working process. At the same time, the security circumstances in which we work are ever more demanding and under continual change. We have therefore increased our investments in knowledge and skills of our employees, and doubled investments in development and modernization. Excellent employees, along with modern technical means, guarantee that SOA will be prepared to respond to contemporary security challenges and future threats.

I would like to conclude these introductory remarks by expressing gratitude, first to the state bodies, together with which the Agency protects the democratic constitutional order and values of the Republic of Croatia.

I also wish to extend my gratitude and appreciation to the employees of the Agency. They are the people who, on a daily basis, far from the public eye, and without public praise, perform their tasks responsibly, professionally, discreetly, and with great commitment, in order to strengthen the security, freedom, and democratic order of their homeland. Without their dedicated work, Croatia would be less secure. They are aware of that, and I can say with pride that Croatian citizens can be confident that SOA's employees are continually striving for excellence, and are upholding the highest standards in the protection of our community. Protection of the homeland deserves nothing less.

Director

Dragan Lozančić, PhD

"The best indicator of our work is that in 2014 Croatia was a secure and stable state, which are the preconditions for economic and general social development"
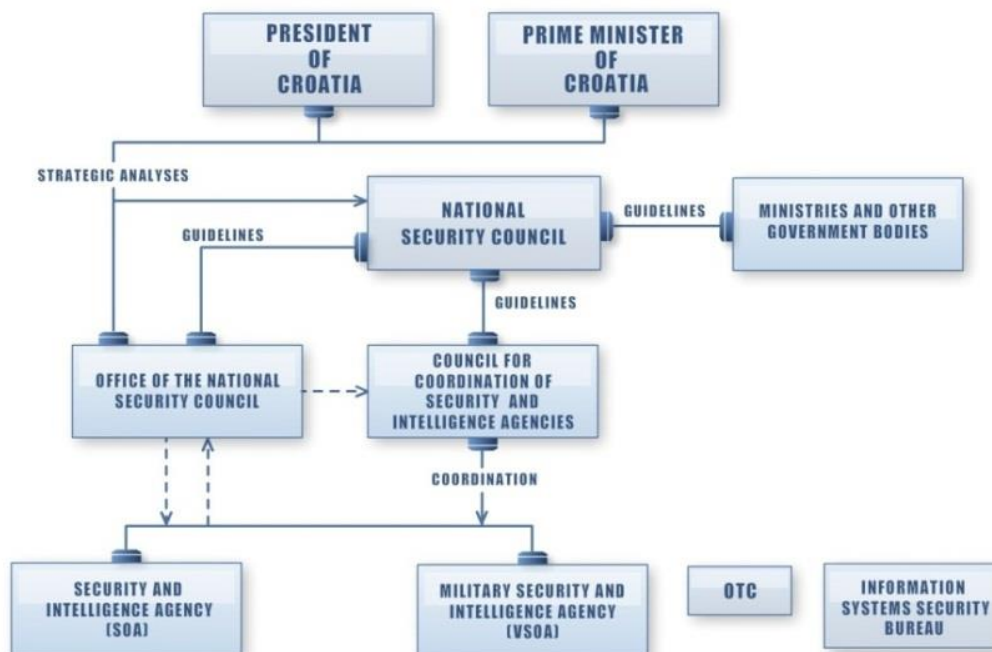
ABOUT THE SECURITY-INTELLIGENCE AGENCY

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The Security-Intelligence System of the Republic of Croatia

The security-intelligence system in the Republic of Croatia was defined in 2006 by the adoption of the Act on the Security-Intelligence System of the Republic of Croatia.

There are two security-intelligence agencies in the Republic of Croatia: the Security-Intelligence Agency (SOA) and the Military Security-Intelligence Agency (VSOA). Their task is to collect and analyse information significant for national security; namely, information required for making decisions relevant for the protection of national interests.

The work of the security-intelligence agencies is guided by the President of the Republic of Croatia and the Government of the Republic of Croatia through the **National Security Council (VNS).** Along with the National Security Council there is also the **Council for the Coordination of Security-Intelligence Agencies** (Council) which provides the operational coordination of the work of the security-intelligence agencies. The expert and administrative tasks for the National Security Council and of the Council are performed by the **Office of the National Security Council (UVNS).**

Organizational scheme of the security-intelligence system of the Republic of Croatia

The Role of SOA

SOA's work consists of special forms of collecting and analysing information relevant to national security, and providing intelligence support to policy makers and competent state bodies.

SOA collects and analyses information with the aim of detecting and preventing activities directed against the existence, independence, integrity, and sovereignty of the Republic of Croatia, or aimed at the violent overthrow of the constitutional state order, threatening of human rights, fundamental freedoms, or the foundations of the economic system.

SOA also collects and analyses political, economic, scientific-technological, and security-related information concerning foreign countries, organizations, political and economic alliances, groups and individuals, as well as other information relevant to national security.

The findings and assessments relevant to national security are reported by SOA to the legally authorized users of information (state leadership, ministries and other state bodies).

SOA is part of the national security system and its functioning has a substantial interministerial component. Therefore, SOA regularly cooperates with and delivers information and assessments to competent state bodies, such as the Ministry of Internal Affairs, the Ministry of Foreign and European Affairs, the State Attorney's Office, the Office for Combating Corruption and Organized Crime (USKOK), the Ministry of Defence, the Ministry of Finance, the Ministry of Economy, and other bodies.

In fulfilling its tasks, SOA develops partnerships with security and intelligence agencies from other countries, and participates in the work of international security and intelligence forums and organizations.

Competencies

SOA performs the activities from its scope of competencies on the basis of the Constitution and Act on the Security-Intelligence System of the Republic of Croatia, as well as other regulations pertaining to its area of work.

On the basis of the law, SOA was given special authority enabling it to collect security and intelligence information in a number of ways: by communication with citizens, requesting of official data, use of covert measures and procedures, use of public sources and exchange of information with partner security-intelligence services.

Citizens can provide SOA with valuable information on possible threats to national security. It is therefore important that citizens have confidence in our discretion and professional work.

Much data can be collected from so-called open sources (Internet, TV, the media...). The expansion of the Internet offers access to large quantities of publically available information.

SOA may gather information by using covert associates as well as measures of covert data collection through technical means (supervision of electronic communication, listening devices, etc.).

In the collection of information, the principle of gradualness is applied. This means that if SOA exhausts regular methods for processing a security threat, it will apply measures of covert information collection. At the same time, when choices exist among a number of measures of covert information collection, the measure that least violates constitutionally protected rights and freedoms shall be used.
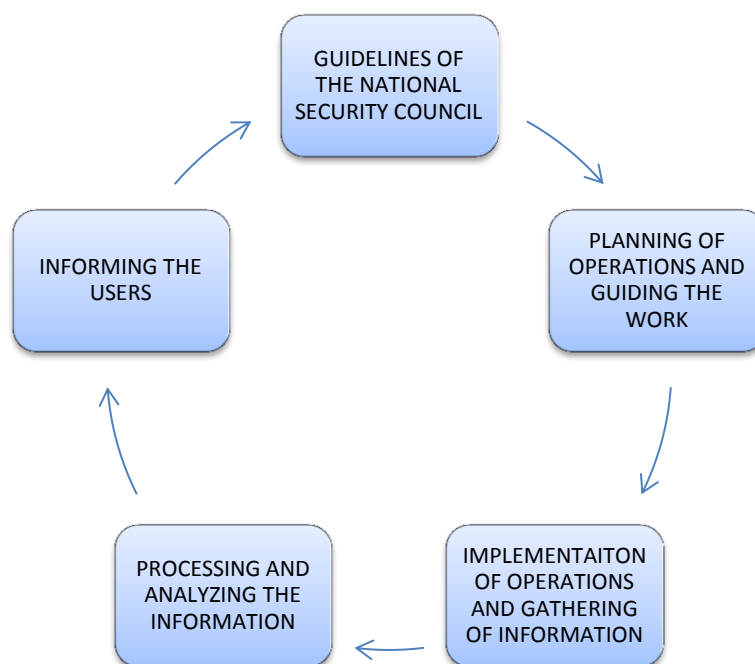
The application of covert information collection measures that restrict the constitutional rights and freedoms of the individual and citizens must be authorized by the Supreme Court or SOA Director, depending on the type of measure.

Citizens are a valuable source of information on national security threats and it is of essential importance that they have confidence in SOA's discrete and professional work.

Channelling SOA's Activities

SOA channels its activities to those areas which have been identified in the strategic and management documents as relevant to national security and national interests. These documents include the National Security Strategy, National Strategy for Preventing and Combating Terrorism, and Annual Guidelines for the Work of Security-Intelligence Agencies.

These documents provide SOA with guidelines for its activities and the goals it has to achieve. It plans and performs its tasks on the basis of these documents. SOA then provides reports on information collected to its users.

GUIDELINES OF THE NATIONAL SECURITY COUNCIL

PLANNING OF OPERATIONS AND GUIDING THE WORK

INFORMING THE USERS

PROCESSING AND ANALYZING THE INFORMATION

IMPLEMENTAITON OF OPERATIONS AND GATHERING OF INFORMATION

Graphic chart of the intelligence cycle

SOA collects and analyses information in order to warn the state leadership of possible threats to national security and citizens of the Republic of Croatia

SECURITY SITUATION IN THE REPUBLIC OF CROATIA
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The security situation in the Republic of Croatia is favourable and stable without visible entities that present potential for its disruption.

Through its membership in the EU and NATO, Croatia has enhanced its capability for maintaining a high level of security. Being part of the Euro-Atlantic political framework brings numerous economic, political and security advantages on both the internal and foreign political levels, but at the same time presents the Republic of Croatia with new challenges through its participation in political and security activities of the EU and NATO. In addition, EU membership also implies a number of challenges which have an influence on the daily activities of SOA, such as the easier crossing of state borders, increased number of security checks, intensified intelligence interest of third parties, and the need for intensification of international security-intelligence cooperation.

Terrorism

At present, there are no established direct terrorist threats to Croatian institutions, citizens, and interests; therefore, our assessment is that the level of terrorist threats in the Republic of Croatia is currently rather low. However, there is a potential terrorist threat for the Republic of Croatia as an EU and NATO member, bearing in mind the global intensification of terrorist threats by terrorist organizations such as ISIL, _Al Qaida, Al Shabab,_ and others.

The level of terrorist threats with Islamist background in the Republic of Croatia itself is low. The number of those advocating the radical interpretation of Islam in the Republic of Croatia is quite small, several dozen individuals, and most of them are not proponents of terrorist attack methods. Radicalization in Croatia has not reached wide proportions, due in part to the very good position, integration, and reputation of the Islamic community in Croatian society.

However, the departure of "Jihadists" from states in Croatia's immediate vicinity, who have gone to fight in the Syrian and Iraqi conflict on the side of the so called Islamic State, is particularly concerning. In addition, they have a tendency to return to the country of origin after having war experiences. Although there are presently no returnees from Syria and Iraq in the Republic of Croatia, the return of volunteers to the neighbouring countries changes the security situation, indirectly impacting the Republic of Croatia as well.

It is our estimate that for the time being, there is no direct threat to the security of the Republic of Croatia from the Jihadists in Syria or returnees; however, a possible threat from the so-called "lone wolves" should not be excluded. These are individuals who are prepared to carry out a terrorist attack independently, without the support of some terrorist organization, and are therefore very difficult to detect. In addition, the medium and long-term threat remains that the returnees who are militarily trained, radicalized, and traumatized by their war experiences will serve, in contact with terrorist structures, as executioners or logistic support for actual terrorist attacks.

One of the security challenges faced by the Republic of Croatia is the transit of foreign nationals, for which there are indications of support for terrorist activities, over Croatian territory on the way from their states of origin to developed European countries in which they are temporarily or permanently residing, or to crisis areas.

FOREIGN FIGHTERS IN THE SO CALLED ISLAMIC STATE

The presence of six Croatian nationals has been established in the territory of the so-called Islamic State. Most of them have, in addition to Croatian, citizenships of other states. Their common trait is that they have left the Republic of Croatia before becoming radicalized or else have never lived in the Republic of Croatia. The radicalization process took place abroad after they left their place of residence for territory under the control of ISIL. For two individuals, it was established that they participated in combat.

The phenomenon of radicalized women leaving for the area of the so-called Islamic State in the company of their "jihadist" spouse, or else starting a family there, has also been registered in the Republic of Croatia.

The number of foreign fighters in Syria and Iraq from neighbouring south-east countries continues to grow and has already reached several hundred fighters. The largest number comes from Bosnia and Herzegovina, Kosovo, Serbia (primarily the region of Sandžak) and Macedonia. Since 2012, approximately 600 "jihadists" have left for Syria and Iraq from Croatia's neighbouring states, some of whom have been killed, while others have returned. The fighters are usually recruited by extremist religious "leaders" and then join the most extreme "jihadist" units.

The number of returnees from Syria to our surrounding states is relatively small. However, as in the rest of Europe, the jihadist-returnees represent a significant threat due to their experiences and the terrorist connections they acquired while in the ISIL. A large number of the "jihadists" leave due to economic reasons; however, it is expected that their participation in the conflicts will radicalize their political views and create the possibility for further indoctrination and terrorism.

The number of fighters on the side of the so-called Islamic State from the European region has reached the approximate number of 4500.

The growth of the use of social networks for terrorist purposes is continuing. The so-called Islamic State skilfully uses contemporary communications and marketing and has established the Al-Hayat media centre. In June 2015 Al-Hayat posted a video in which the "jihadists" from the Balkan region call upon sympathizers to join the armed struggle and terrorism.

Every day the followers and sympathizers of ISIL post over 90,000 messages on social networks. In such a way, the terrorist organizations use social networks for spreading their ideology and anti-Western views and, most important, for recruiting fighters for their armed forces.

ISLAMIST RADICALIZATION OF MINORS

Like the rest of Europe, Croatia is faced with the challenge of Islamic radicalization of young people through social networks on the Internet. This was identified as a security challenge after numerous volunteers from Europe joined "jihadist" units. Namely, as seen in their statements and promises, "jihadists" are specifically targeting young people, psychologically immature individuals who are most susceptible to manipulation and conversion, by use of the Internet.

In the radicalization process, individuals abandon moderate and accept extremist and violent ideologies and opinions that contain political, religious, or other foundations.

SOA is therefore active in the de-radicalization process of young people who plan to leave for foreign battlefields.

In 2014, SOA detected an adolescent citizen of the Republic of Croatia who intended to join Islamic groups in Syria. The young man became radicalized through the Internet and made direct contact with "jihadists" from Syria who promoted the struggle for the so-called Islamic State.

By talking to the family and providing psychological help to the young man, the problems and dilemmas were identified and resolved, so that the young man ultimately abandoned his radical views and intention of joining the "jihad".

This and many other examples throughout the world confirm the necessity for engagement by the entire social environment, and not only the security services, in the detection and resolution of this challenge.

Extremism

Due to the lack of membership and organization in both left and right-wing ideological groups in the Republic of Croatia, there is little potential for extremist groups or individuals to endanger its security status. Extremism was identified in individuals who are active within sport support groups.

Unemployment, especially among the youth, as well as dissatisfaction due to personal difficulties, can cause resignation and disappointment in the legal system of the Republic of Croatia, which can then become a risk factor in the development of extremism.

The consequences of war trauma and unresolved inter-ethnic relations that may become fertile soil for the strengthening of extremism can also have an impact on the state of security.

In the area of right-wing extremism in the Republic of Croatia, the activities of members of the Croatian branch of neo-Nazi and other similar organizations are ongoing. Followers of extreme right ideologies mutually connect and strive to establish contacts with sympathizers in EU member countries. Due to the scarcity of neo-Nazi support in the Republic of Croatia, its potential for threatening the security status is minimal.

In regard to left-wing extremism, domestic anarchist groups are in contact with foreign anarchist-terrorist individuals and groups, and anarchist groups in the region that have been registered for their radical activities. Thus far, the activism of these individuals has been non-violent and consists mostly of participation at anarchist gatherings and communication with sympathizers.

Organizations and followers of the Chetnik movement are still active in the neighbouring states and beyond. In addition, sympathizers are also in contact with like-minded individuals in the Republic of Croatia and other organizations and individuals advocating Greater Serbian ideology.

The organized recruitment of Croatian nationals as volunteers to the Ukrainian front, where they joined Ukrainian troops, was also registered in 2014.

Foreign Intelligence Activities in the Republic of Croatia

The internal political situation in the Republic of Croatia, as well as its foreign policy, are a point of intelligence interest for states whose interests, activities, and views are not in harmony with those of Croatia.

In recent years, the Republic of Croatia, due to its NATO and EU membership, and geo-political position, has been exposed to intelligence activities of states which perceive the EU and NATO as security threats or challenges. Through their intelligence activities in the Republic of Croatia, these states strive to collect information on processes that are evolving in the EU and NATO. The intelligence officers from these states, as a rule, take on the role of diplomats in embassies, or use other means to disguise their true identity and intentions.

In recent years Croatia has become the object of intelligence activities of those states which perceive the EU and NATO as security threats.

Foreign intelligence agencies focus upon the collection of political, economic, technological information, and information on the participation of the Republic of Croatia in NATO and EU bodies, as well as the positions of the Republic of Croatia in regional and global processes. Particular attention is devoted to the collection of information on dissonant views within the EU and NATO regarding crises and energy projects.

In their work, these foreign services also use so-called active measures, by which they attempt to influence public opinion by abusing the Croatian media in furtherance of their interests. For instance, they attempt to influence public opinion in regard to NATO's and EU's roles in current crisis hotspots, presenting Croatian foreign policy and Croatian allies in negative terms.

In addition to the afore-mentioned activities, certain foreign services are engaged in economic and industrial espionage in the Republic of Croatia, and are interested in major economic projects as well as new and modern technologies. The topic of economic espionage offers new possibilities for SOA's activities, such as providing consulting support to Croatian businessmen who work with foreign entities or business activities abroad.

Corruption

Corruption in public administration, state institutions and bodies, and state-owned and public companies, is one of Croatia's greatest challenges. It threatens the functioning of the market, economic growth, decreases tax revenues, negatively affects the national budget, and creates insecurity and loss of confidence in state institutions. These factors diminish the investment potential in Croatia and impact the international reputation of the Republic of Croatia and its activities on the international market.

Corruption has an indirect negative effect on national security as well; thus SOA has taken on the role, in cooperation with other competent bodies, of providing a support mechanism in its prevention and eradication.

The most frequent forms of corruption are linked to the implementation of public tenders, public procurement, negotiating direct business deals and issuing of permits.

The most frequent forms of corruption in the Republic of Croatia are linked to public tenders, public procurement, negotiation of direct business deals, and the issuing of various types of permits and approvals.

Due to the large sums involved, which underscore the importance of the public sector in the national economy, public procurement processes are particularly vulnerable to corruptive activities and attempts to illegally "pull out" money by non-transparent, fraudulent and illegal means, to the detriment of the national budget.

MONEY LAUNDERING THROUGH THE PRIVATIZATION OF STATE-OWNED COMPANIES

SOA is constantly active in detecting cases of misappropriation in business activities. Accordingly, during the privatization of the large corporation AA of which the Republic of Croatia had significant ownership, information was collected that the leadership of the company misused its position and authority, thereby acquiring a significant number of shares to the detriment of the company AA and becoming its significant shareholder.

This was achieved by showing in the accounts that the company AA loaned several million HRK to other companies, while at the same time, AA officials actually used that money to buy AA shares. They bought the shares in their own names and in the name of reliable partners.

Furthermore, the leadership used the financial gain thus attained to buy shares in the open market, while it implemented the process of paying back the debt to company AA; namely, attempted to hide this suspect activity by adopting a decision that foresaw paying the dividends in the course of a number of years into the capital stock of AA.

Through these activities, the responsible persons inflicted losses to AA, and thereby to the national budget of the Republic of Croatia, given the significant state share in its ownership.

SOA informs the General Attorney's Office on its findings, enabling it to institute criminal proceedings against the responsible individuals.
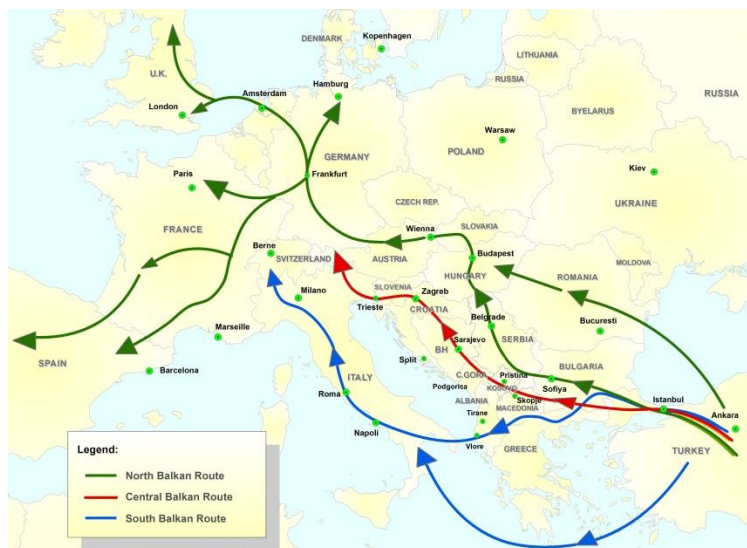

Organized Crime

The threat of organized crime is influenced considerably by Croatia's transport, economic, and geographic position. Not only is the Republic of Croatia located on one of the so-called Balkan smuggling routes, but the state of organized crime in the surrounding countries also has a significant impact due to the extensive trans-border cooperation between criminal groups. The intensified control of Croatian borders has resulted in redirecting the greater part of the Balkan route to areas that do not pass through Croatian territory, which resulted in the decrease of criminal activities along the route that does pass through Croatian territory.

Several factors have an impact on organized crime trends, such as the difficult economic situation, poor security consolidation in some states of South-East Europe, and pressure on the Balkan route resulting from developments in numerous crisis hotspots in the Middle East and North Africa.

Presently, the busiest continental route for transport of illegal migrants is located in the vicinity of the Croatian border, passing through the territories of Serbia and Hungary. The

number of illegal migrants passing through Croatian territory decreased in 2013, and is even smaller in 2014 resulting in a 50% decrease in asylum-seekers in the Republic of Croatia.

So called Balkan trafficking route

The use of Croatian territory as a haven for members of regional organized crime has continued, whether as a hiding place from rival criminal groups or for avoiding criminal prosecution in their domicile countries; that is, for planning future criminal activities. In such instances, they use the logistic assistance of individuals from the Croatian criminal milieu. This will continue to be a threat to the security status in the Republic of Croatia due to the danger that criminal altercations and conflicts outside the territories of their countries of origin will proliferate.

Contacts between members of domestic and international organized crime with active or former employees of certain state institutions have been registered, and this information is relayed by SOA to the competent institutions (State Attorney's Office and Ministry of Interior).
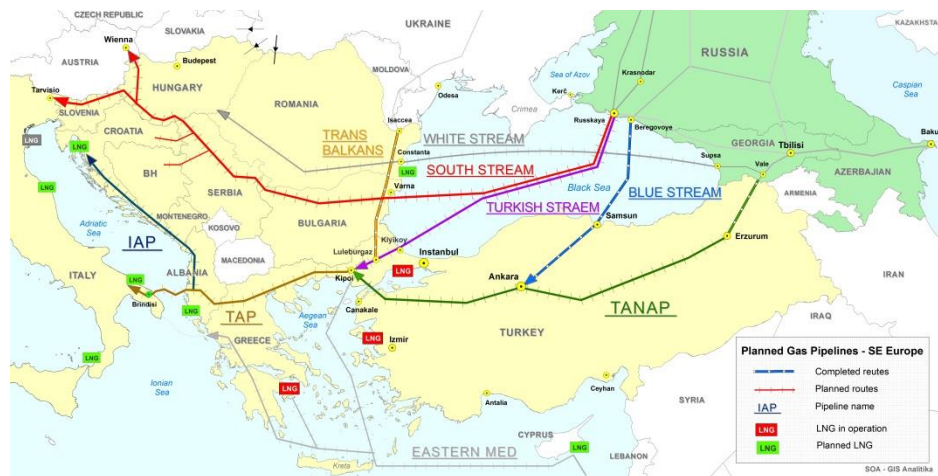
Prominent members of the criminal milieu from surrounding countries are also involved in financial investments in the Republic of Croatia, with the intent to conceal the sources of the illegally acquired funds. These ongoing contacts with individuals from the domestic criminal scene have been confirmed as well as the commission of joint criminal acts.

Southeast Europe, including the Republic of Croatia, also represents one of the alternative routes of transporting cocaine from South America to Europe. The participation of individuals from the Republic of Croatia and the region in traditional cocaine smuggling routes from South America to Spain and the Netherlands has also been confirmed, as well as their established status among South American criminal groups.

Another security risk is the unstable security situation in the areas of the Middle East and Africa, but Ukraine as well, which creates increased demand for illegally procured arms and military equipment. This was identified by members of criminal groups from the Republic of Croatia and surrounding countries as a lucrative activity, and they are attempting to position themselves as mediators.

Energy Security

Energy security is not only an economic category. Energy sources are often used as a means for accomplishing foreign policy goals. Therefore, energy security is also an important political issue which is strongly intertwined with the protection of national interests. The Republic of Croatia has the geo-political preconditions for regional and European positioning and can capitalize on its geographic position by increasing energy security and by becoming a major energy hub.

Map of planned gas pipelines passing through South-East Europe

If the Adriatic-Ionic gas pipeline (IAP) is realized, into which gas from the planned LNG terminal on the island of Krk in the north would flow, and from the Trans-Adriatic gas pipeline (TAP) in the south, the Republic of Croatia will have the opportunity to significantly contribute to the improvement of the energy security of the states in the region; predominately of Bosnia and Herzegovina.

War Crimes

Independently and in cooperation with other competent state bodies, SOA works on the establishment of locations of individual and mass graves of missing persons from the Homeland War, collects information on war criminals, as well as on the place of residence of persons on the run from criminal prosecution for war crimes they have committed.

In 2014, SOA focused on identifying and locating individual and mass graves of missing persons from the Homeland War. This particularly applied to the location of mass graves in the Podunavlje area. In the process, the cooperation of SOA with citizens who have information on the missing persons and possible burial sites plays a key role.

Citizens who have information on missing persons and possible locations of graves have an essential role in the establishment of the fate of person who have gone missing in the Homeland War.
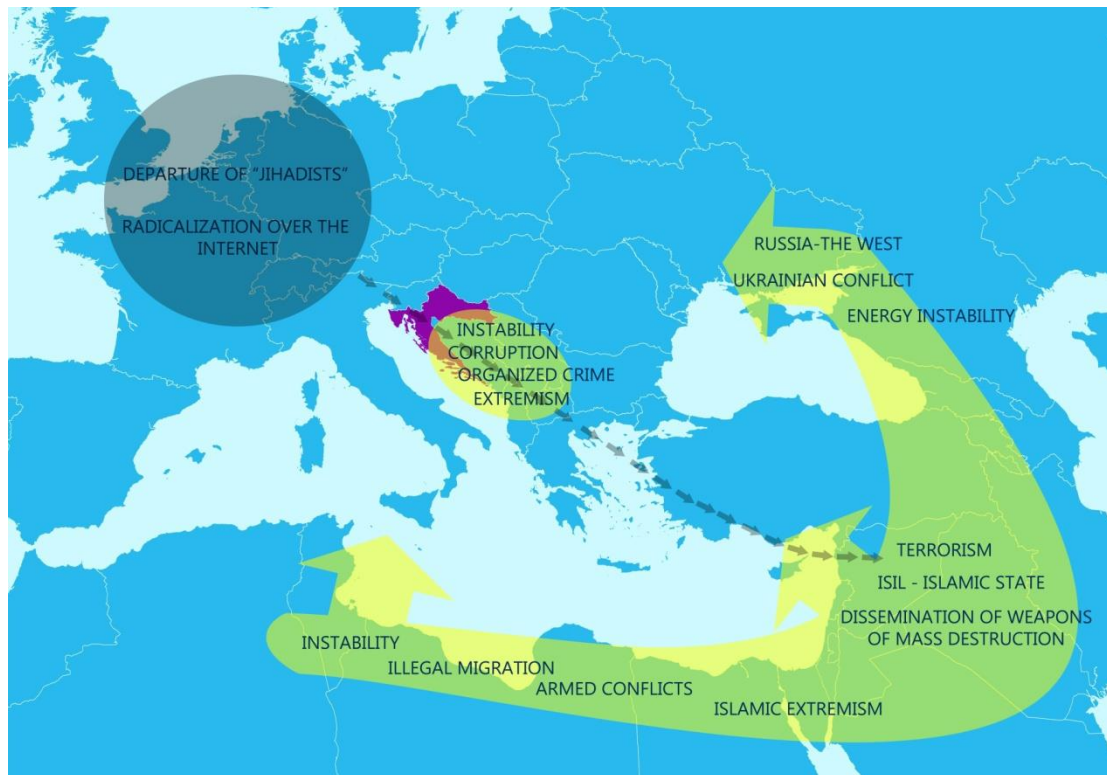
SOA plans its operative and analytical work on the basis of Annual Guidelines for the Work of Security-Intelligence Agencies established by the National Security Council

SECURITY SITUATION IN THE SURROUNDING REGION OF THE REPUBLIC OF CROATIA

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An illustration of security challenges in the wider region of the Republic of Croatia

Security Situation in the Neighbouring Southeast Region of the Republic of Croatia

Although insufficiently consolidated in a political, security, or economic sense, the neighbouring southeast region of Croatia does not represent a significant security threat. Regardless of the challenges faced by the states in that region, their nature is not such that could cause serious armed conflicts. However, outbreaks of unrest and other incidents are possible due to ethnic or social issues that could jeopardize economic, political, and security interests of the Republic of Croatia.

The southeast neighbourhood is still outside European integration and is characterized by an unstable political situation as well as grave economic circumstances. However, the active presence of the international community provides a specific factor of stability. Although the

Euro-Atlantic influence still dominates in that region, there is nonetheless room for the influence of other global and regional actors.

The slowness in implementing reforms impedes progress in Euro-Atlantic integrations, and the "enlargement fatigue" in some of the EU countries, as well as long-standing economic recession, are additional impediments. This has a negative impact on the ethnically and religiously divided societies plagued by weak institutions and adverse economic conditions.

Under these circumstances, the neighbouring southeast countries are fertile ground for corruption, organized crime, illegal trade, spreading of national and religious radicalism, and extremism.

Economic and social conditions are still very unfavourable, which results in the dissatisfaction of the population, protests, migrations, deterioration of the financial situation, and an increased lagging behind as compared to the EU.

The countries in the region will continue to face challenges such as the departure of Islamist volunteers for the Syrian and Iraqi battlefronts, and then their return. The increased acceptance of the radical interpretation of Islam is additionally strengthened by the adverse economic situation and the rise of religious "authorities" to whom these interpretations are acceptable.

In the long-term, the parts of southeast Europe to which the "Jihadist-returnees" come back could become a refuge for international terrorist groups, allowing them to position themselves more easily and effectively in West European countries. The increased risk from terrorist attacks also stems from the potential danger from individuals who have adopted the radical interpretation of Islam in the wars waged during the 1990s in Bosnia and Herzegovina and Kosovo.

Regional security conditions are also marked by the continued public activity of existing Greater Serbian extremist organizations and the appearance of new ones, along with the presence of historic revisionism. Their activities are characterized by positions in opposition to NATO and the EU. The joining of Chetnik movement members to pro-Russian units in the Ukrainian conflict has also been registered.

The actions of police and legislative bodies in the neighbouring SE Europe states partially suppressed trafficking and broke up some criminal groups. This resulted in retributions within the criminal milieu; criminals from these SE European states also frequently attempt to find refuge in the Republic of Croatia, which increases the possibility of "settling of accounts" spilling over into the area of the Republic of Croatia.

 The use of SE Europe as a transit area for trafficking of weapons of mass destruction (chemical, biological, radiological and nuclear weapons and their components) also presents a security risk. The threat of WMD proliferation is particularly marked in the context of using such weapons in the conflicts in Syria and Iraq.

The announcement that the planned gas pipeline South Stream will not be built was a blow to some of the SE European countries, as they consider the energy sector an important initiator of economic recovery. This primarily relates to the states which are dependent on Russian gas. Their reactions show that dependence on Russian gas substantially contributes (along with political, cultural, religious and even military connections) to an inclinations toward Russian views (for example in regard to the conflict in the Ukraine).
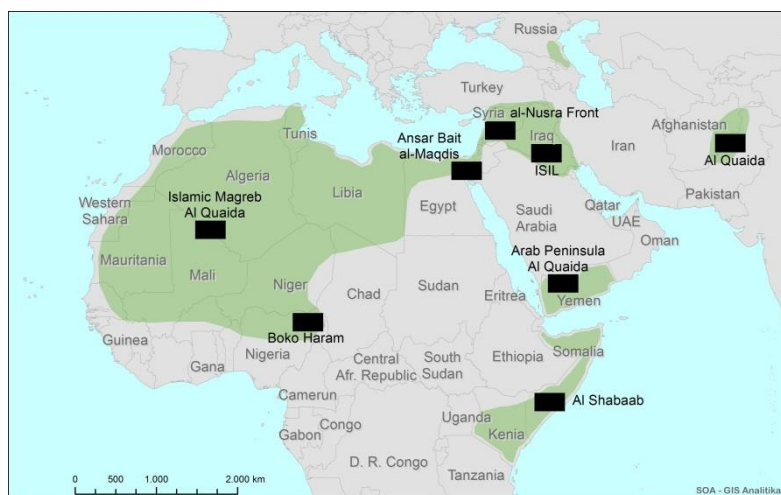
A Belt of Instability in the European Region

The European states are faced with a belt of instability that stretches from northern Africa, through the Middle East, to the Russian-Ukrainian border. This belt is the source of numerous security challenges, such as the spread of terrorism and "Jihadist" movements, extremism, organized crime, illegal migration and open regional armed conflicts.

Conflicts in the Areas of North Africa and the Middle East

The "Arab Spring" failed to bring progress and democratization to countries where it had erupted. On the contrary, it contributed to the strengthening of radical "Jihadist" movements which advocate the strict implementation of Islam laws, along with violence towards those with opposing views. The security "vacuum" created by the collapse of security mechanisms in some of the states engulfed by the "Arabian Spring" also brought about armed conflicts and the strengthening of "Jihadist" forces. The arenas of conflict became areas in which terrorist organizations could organize and lead armed conflicts. These areas have become at the same time the destinations of numerous "Jihadists" from the West.
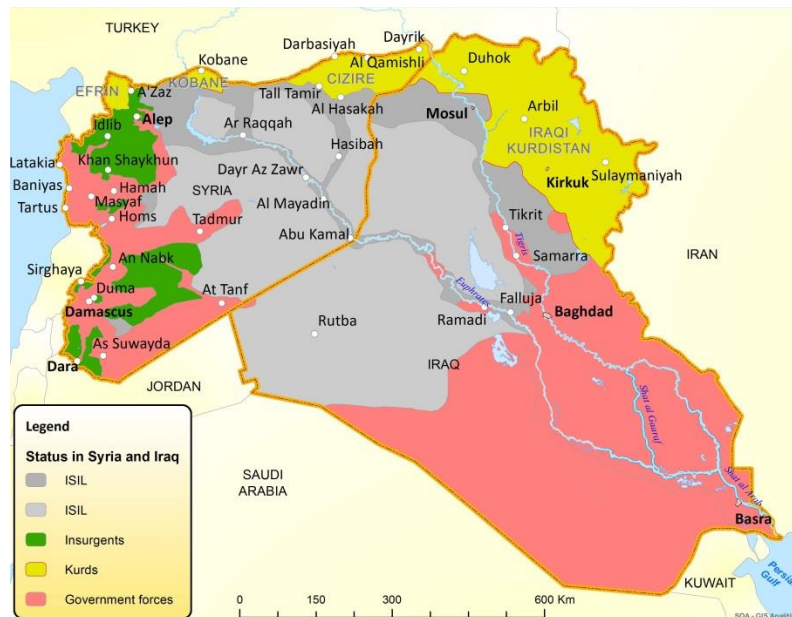
Numerous foci of crisis in the Middle East and North Africa (war in Syria and Iraq, Libya in a state of post-revolutionary turmoil, unrest in Egypt, a standstill in the Middle East peace process, negotiations on Iran's nuclear programme) make the overall situation more complex and difficult to resolve than was the case thus far.

Map showing the areas of activities of Islamic terrorist organizations

The expansion of the terrorist organization ISIL into a trans-national geopolitical entity called the Islamic State - which controls considerable territories in Syria and Iraq - has additionally destabilized the Middle East. The so-called Islamic State represents a long-term and complex challenge to the international community.

Conflicts in the Middle East also cause further divisions in the Muslim world on a global scale. In time, ISIL increasingly distanced itself from Al Qaida, and the so-called Islamic State became Al Qaida's direct rival in the struggle for leadership of the global "Jihadist" movement.

Territories under the control of the warring sides in the conflicts in Syria and Iraq

Terrorist threats have increased against Western countries whose nationals are fighting on the side of the so-called Islamic State, or are members of the international coalition against ISIL. The existence of the so-called Islamic State calls into question the territorial integrity of Syria and Iraq, and rivalries have deepened between leading regional players, including the Sunni-Shia divide.

The indirect participation of neighbouring countries in the conflicts in Syria and Iraq, the conflicts between fractions, the increasing number of foreign fighters on the battlefield, the inclusion of the Kurds in the conflict, threaten to lead to a spread of war to a number of countries in the region, and consequently increase the global terrorist threat.

The strengthening of the so-called Islamic State also intensifies the activities of Caucasus insurgents, as well as the ongoing activities of terrorist organizations in Afghanistan and Pakistan.

The numerous Islamist terrorist organizations active in Africa recognized in the Islamic State a leader capable of achieving their declared goal – the unification of all Muslims in a pan-Islamic caliphate - and have therefore pledged loyalty to it. The activities of African terrorist organizations, such as *Boko Haram* in Nigeria and *Al Shabaab* in Somalia, are gaining ever greater attention as a result.

The areas from Mali and Nigeria through Libya to Somalia are characterized by instability, activities of radical Islamic groups, grave economic conditions, and population migration. This connected geographical space enabled the formation of weapons transport routes and physical lines of communication between "Jihadist" groups.

Due to their intolerant views, the Islamist terrorist organizations encourage their followers to commit violent acts against Muslims who oppose radical interpretations of Islam and "Jihad".

The Ukrainian Crisis

The Ukrainian crisis, which resulted in the Russian annexation of the Crimea and armed conflict between the Ukrainian forces and pro-Russian insurgents in the Donbas region, caused the most severe deterioration of relations between Russia and the West since the time of the so-called Cold War, including a particular form of war through economic sanctions.

Map of the area of conflict in eastern Ukraine

International efforts to peacefully resolve the conflict failed due to the opposing positions of the two sides in the Ukraine, and the broader geo-political context of the conflict. In the absence of a political solution, a long-term freeze of the conflict in eastern Ukraine is plausible, and this will become a major destabilizing factor in the European region.

CROATIAN NATIONALS IN THE UKRAINIAN CONFLICT

The phenomenon of volunteers from European countries leaving for the Ukrainian front in order to join Ukrainian volunteer units was recorded in 2014, among them Croatian nationals.

From the outset of the conflict, less than twenty Croatian nationals have joined the Ukrainian forces. Presently, in the conflict area, there are eight Croatian nationals in Ukrainian units.
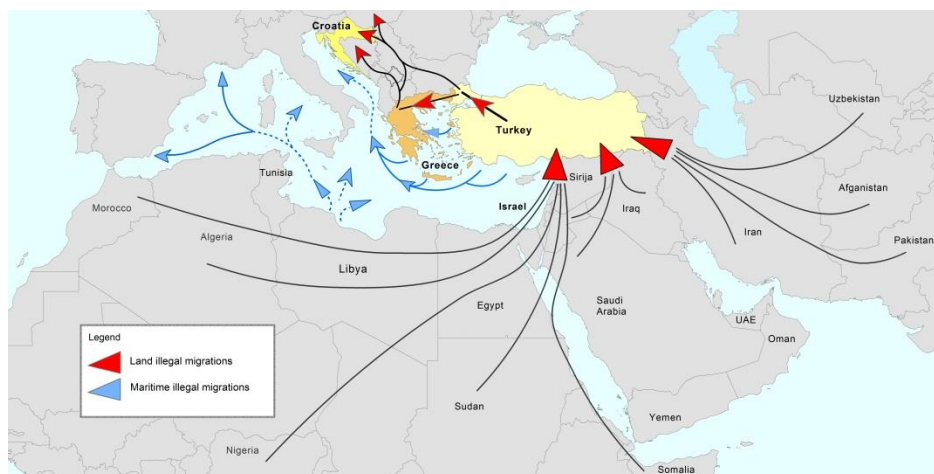
Economic and financial conditions in the Ukraine have deteriorated, and Russia is registering a decrease in investments and economic growth; at the same time, EU member countries, particularly companies working on the Russian market, some of them Croatian, have been affected by the sanctions regime.

The Ukrainian conflict illustrated the importance of energy security, and emphasised the fact that energy sources (gas), aside from contributing to competitiveness of national economies, are also a valuable foreign policy tool. Accordingly, Russia is using gas to realize its foreign policy objectives. In spite of the Ukrainian-Russian-European agreement on the repayment of the Ukrainian debt, there is still a possibility that gas supply to the Ukraine might be discontinued. Therefore, European countries are attempting to find alternative sources so that energy security is not endangered.

Other Security Trends

European security is also marked by the growth of illegal migrations and extremism. Illegal migration has also become a major humanitarian challenge, especially due to the existence of numerous crises in the surrounding areas of Europe (Somalia, Libya, Mali, Syria, Iraq, etc.). The migration phenomenon has also led to closer cooperation between criminal and terrorist groups, thereby increasing security risks for European states.

Directions of illegal migrations

In addition, tensions have increased among ethnic communities. Extremist organizations are attempting to legalize their activities by establishing nationalistic political parties.

The international community continues to focus on the issue of nuclear weapons proliferation. In that context, the Iranian nuclear programme negotiations have been widely covered. The negotiations with Iran are being led by a group of permanent Security Council members (USA, Russia, China, Great Britain and France) - with Germany as an associate member - who hope to reach an acceptable solution.

SOA collects and analyses relevant information required by the state leadership for bringing decisions on the protection of Croatian national security and interests

SOA's ACTIVITIES IN NUMBERS

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Analytical Reports

Security-intelligence analyses and information are SOA's main "products". By its analytical information, SOA continually informs the state leadership on relevant topics that may impact national security. In this way, SOA supports the state leadership in the bringing of decisions essential for national security and interests.

In the course of 2014 SOA has submitted approximately 8700 security-intelligence reports to its users.

In the course of 2014, SOA has submitted to the state leadership (President and Government of the Republic of Croatia) about 290 various analytical reports.

In addition to state leadership, SOA also informs other bodies, such as the Croatian Parliament, Office of the National Security Council, State Attorney's Office, Ministry of Internal Affairs, and other ministries of the data it has collected, thereby supporting the work of other bodies in the protection of national security. In the course of 2014, SOA submitted approximately 8700 security-intelligence reports to its users.

SOA cooperates on a daily basis and exchanges security-intelligence information on common challenges with its international partners: partner security-intelligence services and corresponding bodies within the EU, NATO, and multilateral forums of which SOA is member.

In addition to collecting information of significance to national security, SOA carries out other activities as well, directed at strengthening the security framework of the Republic of Croatia: security vetting, counter-intelligence protection, and security of protected persons.

Security Vetting

A security vetting is a procedure that identifies security concerns for physical and legal persons. The procedure is performed by the authorized security-intelligence agency. SOA carries out all the security vetting in respect to civilians.
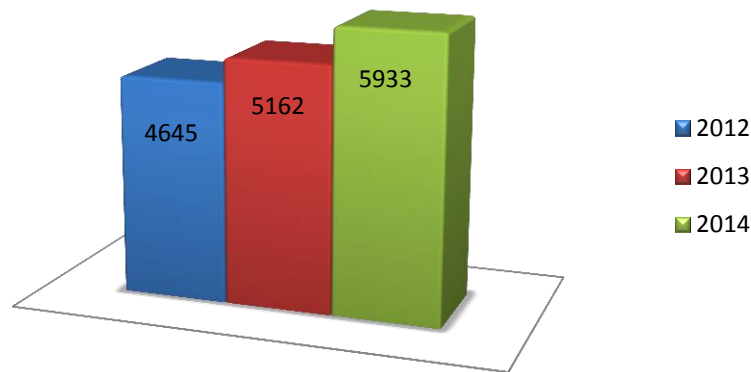
In 2014, SOA carried out 5933 security vetting procedures which is the largest number conducted in one year.

Security vetting enhances the security of organizations; namely, prevents individuals with security impediments from coming into contact with sensitive data or performing duties where they can threaten the security or interests of the Republic of Croatia.

Security vetting is structured according to NATO and EU standards. Because the security vetting procedure includes access to personal data, a transparent procedure has been established which is regulated by the Security Vetting Act.

In 2014, there was a considerable increase in the number of security vetting procedures as a result of an increased number of requests from competent state bodies.
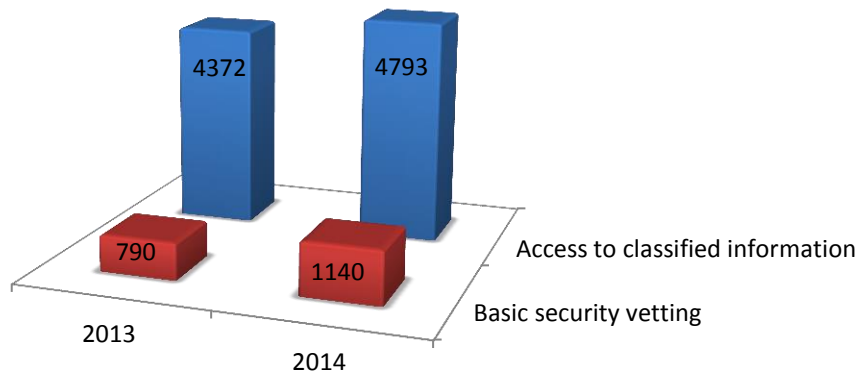
In 2014, a total of **5933** reports have been submitted on conducted security vetting. This is the largest number of reports in one year since the implementation of the Security Vetting   Act   in 2008.

Number of conducted security vetting procedures in the period from 2012 to 2014

Of the security vetting procedures conducted in 2014, 4793 of them were carried out in regard to access to classified information of various levels of confidentiality, at the request of UVNS and VSOA. In 2014, a 9% increase in the number of conducted security vetting procedures was registered in comparison to 2013.

In addition to vetting for access to classified information, 1140 basic security vetting procedures were carried out (an increase of 44% in comparison to 2013) at the request of the Government of the Republic of Croatia, the Croatian Parliament, Ministry of Foreign and European Affairs, Supreme Court, Ministry of Internal Affairs, VSOA, State Attorney's Office, Customs Office of the Ministry of Finance, and other competent bodies.
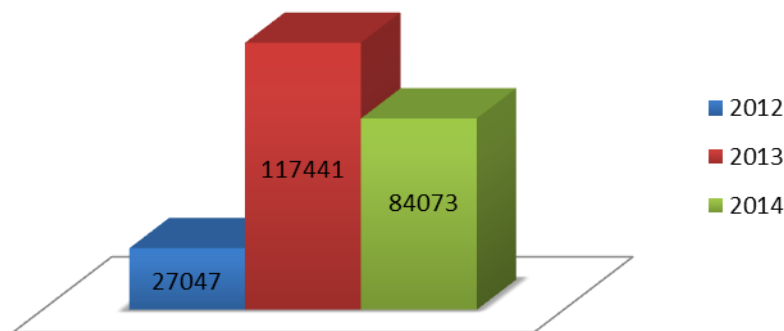
Number of conducted security vettings in 2012 and 2014, by type

In 2014, 21 security vetting procedures were conducted for legal entities (16 in 2013), for the purpose of obtaining a business security certificate at the request of UVNS, and 256 were also conducted of owners and employees of legal persons.

SOA issued negative opinions in regard to 127 persons. Out of them, for 25 persons were found to be having security impediments, whereas for 102 persons facts were established which brought into question their confidentiality or reliability for dealing with classified information, in line with Article 22 of the Regulations on Security Vetting Standards.

In 2014, 84,073 persons were checked in regard to status issues of foreigners or nationals of the Republic of Croatia (issuing of visas to foreigners for entry in or transit through the Republic of Croatia, residence permits, granting or relinquishing citizenship). The number of persons who applied for asylum/subsidiary protection has decreased (480 persons, which is 52% lower than in 2013).

Number of checks in the procedure of solving foreigners' status and citizenship issues, by year

Counterintelligence Protection and Security of Protected Persons

SOA in cooperation with other competent state bodies participates in the security of protected persons, facilities, and premises by making security assessments on possible threats. In addition, security vetting is performed for persons who have access to protected persons, facilities, and premises, persons employed for their physical and technical protection, technical and computer maintenance, and persons participating in works being conducted in protected facilities and premises.

SOA was engaged in guarding the security of protected persons, as well as of all other participants and visitors, on the occasion of the 22nd anniversary of Armed Forces Day of the Republic of Croatia (28 May), the Croatia Forum 2014 (10-13 July), 19th anniversary of the Operation Storm, Victory and Homeland Gratitude Day, Croatian Veterans' Day (5 August), and Memorial Day for the Victims of Vukovar (18 November).

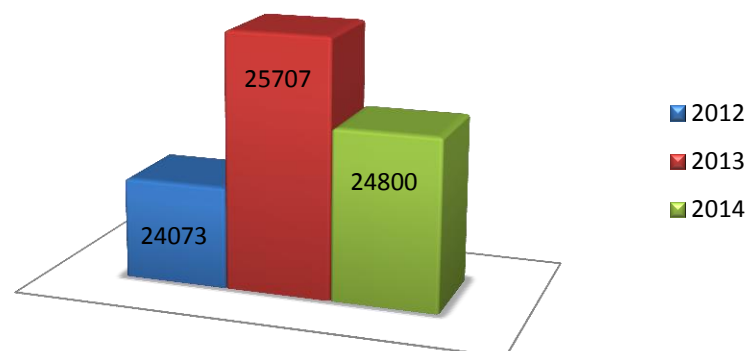*In the course of 2014, 598 security assessments were prepared.*

Special attention was devoted to anonymous or public threats to protected persons, where efforts are made to identify the authors, motives, and circumstances under which the threats were made, after which an assessment is done regarding the potential threat posed to protected persons. In 2014, sixteen cases of threats to protected persons were processed.

In addition, in 2014, 598 security assessments were made pertaining to the movements and sojourn of domestic and foreign protected persons.

Number of security assessment made in the period from 2012 to 2014

In 2014, 24,800 security checks were made for persons who had the possibility of access to protected persons, facilities, and premises.

Number of security checks for access to protected persons, facilities and premises from 2012 to 2014

Information security is a very important segment of SOA's work, particularly the security of communications within state bodies. Therefore, SOA regularly conducts anti-bugging checks of important facilities. These anti-bugging checks establish whether listening devices have been installed in these facilities. They are conducted by SOA's experts utilizing modern technological methods. In regard to counter-intelligence protection of protected persons, facilities and premises, dozens of anti-bugging checks were conducted in 2014 in the Republic of Croatia and abroad.

SOA invests in capability development through the implementation of technical projects and specialized education programmes for its personnel
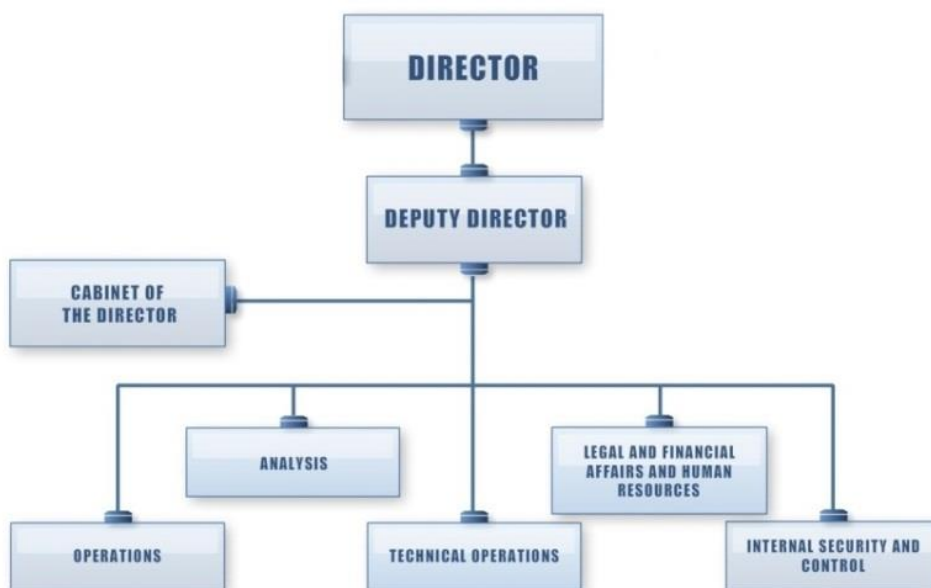
MANAGEMENT OF SOA

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Organization and Structure

SOA's work is managed and guided from the headquarters in Zagreb, while its operative activities are conducted primarily through regional centres and stations abroad.

The Director is at the head of SOA, and is appointed jointly by the President and Prime Minister of the Republic of Croatia.

Work at the headquarters of SOA is carried out in the organization units responsible for:

- Collecting information (Operations)

- Processing and analysing information and documentation (Analysis)

- Special technology, IT, and communications (Technical Operations)

- Counterintelligence protection and control (Internal Control) and

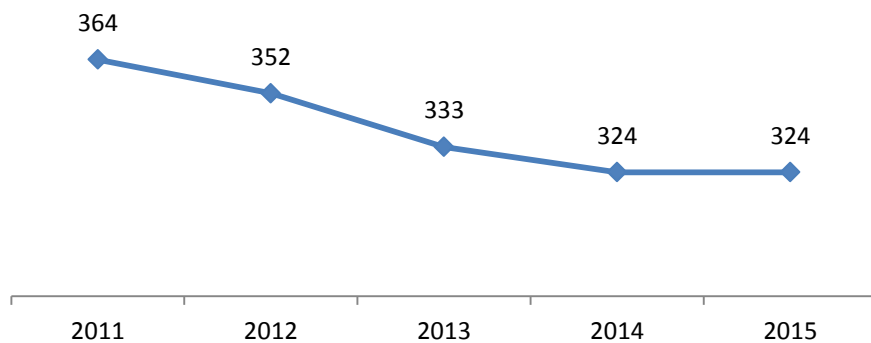- Human resources, legal and administrative-financial affairs.

SOA Organization Scheme

In order to perform the tasks stipulated by law, SOA covers the entire territory of the Republic of Croatia through the work of 10 regional centres.

Budget Transparency

SOA's budget in 2014 amounted to 324,743,626 HRK, which is approximately 9 million HRK less than in 2013, and 40 million less than in 2011.

After considerable reductions in the period from 2011 to 2014, SOA's budget has reached a stable level at around 324 million HRK. The stable level of financing enables more long-term and reliable work planning and capability development.
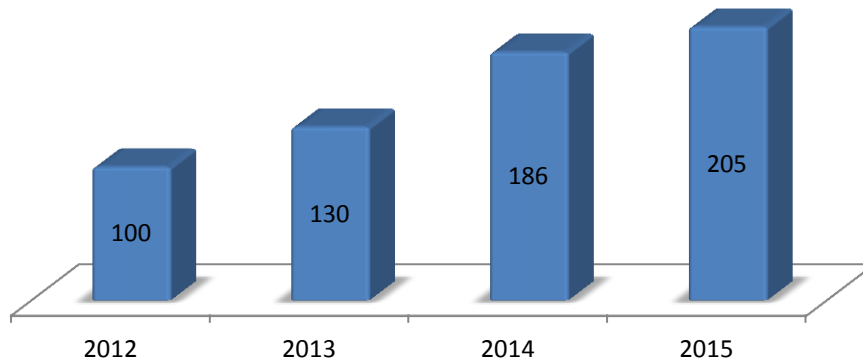

SOA budgetary trends from 2011 to 2015, in millions of HRK

Data on the material and financial operations of SOA are confidential. The sensitivity of security-intelligence activity requires protection in all fields of work. The budget is a segment of these overall activities and is also in need of protection, since the detailed structure of the budget can reveal the type of equipment being procured, who the suppliers are, which technological fields SOA is developing, etc., thus making its work more difficult. For example, knowledge about the procurement of new technological surveillance equipment can encourage criminal or terrorist groups to undertake measures to protect themselves from these systems.

The largest share of SOA's budget is allocated for personnel expenses and current expenditures required for the daily functioning of the Agency. In order to further develop SOA's capabilities, special attention is devoted to the allocation of funds for development and modernization. This amount, in conformity with SOA's Development Plan, has grown in the last few years, and

In three years (2012-2014) SOA has doubled its investments in development and modernization.
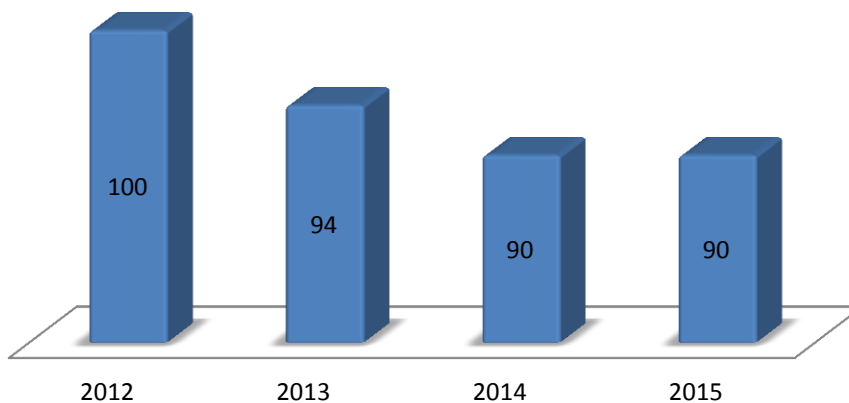
doubled as compared to 2012. SOA's Development Plan envisages an even greater budget increase for development and modernization in the next few years.

**Growth index of investments in development and modernization
(2012 = 100)**

Year	Value
2012	100
2013	130
2014	186
2015	205

Increase of expenditures for development and modernization from 2012 to 2015

In order to provide the required funds for development and modernization, SOA has in the last few years rationalized expenditures, and with the reduction in the number of employees, expenditures for them have also decreased. Since 2012, SOA has reduced employee expenditures by 10%.

**Index of expenditure reductions for employees
(2012 = 100)**

Year	Value
2012	100
2013	94
2014	90
2015	90

Expenditure reductions for employees from 2012 to 2015

Management of Human Resources

As with any other organization, it is primarily the people who make up the Agency. Technological advancements and reliance on modern technologies have not reduced the importance of the human factor in the success of organizations, particularly those dealing with security-intelligence activities. The quality of SOA's work depends primarily on the abilities, knowledge, and skills of its employees.

Due to the specific nature of the work they perform, but also the risks and threats to which they are exposed, SOA is obligated to protect the identity of its employees.

The average SOA employee is approximately 40 years old, with 15-20 years of work experience. Most have a university degree and were previously employed in other state bodies or private companies.

SOA's scope of work requires employees of different professional specialties and profiles to fill the posts of analysts, operatives, and experts for human resources, legal and financial affairs, and support staff (security staff, administrative secretaries, etc.).

In 2014 a total of 3099 CVs were received from individuals seeking employment in SOA.

ANDREA – OPERATIVE OFFICER

I am Andrea and work as an operative officer in SOA. My job is collecting information.

Our operations are complex and it is not always simple to collect information. One has to be thorough, patient, and pay attention to details.

As an operative officer, I often talk to people and hear their stories. Operatives have to be discreet and without prejudices, as well as open to the ideas and thoughts of others.

This job does not always have fixed working hours, and the tasks often require personal flexibility.

With the information I collect, my analyst colleagues can assess whether threats to national security exist.

By doing my job, I contribute to maintaining our society's security.

Number and Structure of SOA's Employees

The precise number of SOA employees is classified. However, the overall number of SOA employees is similar to the number in other comparable services in the developed European countries.

In recent years and in line with the Development Plan, SOA has been reducing the number of employees in order to provide funds for its ambitious projects of technological development and modernization, and for education. Therefore, when employing new people, SOA follows the principle of employing one new person for every two that leave SOA.

Accordingly, in recent years and for various reasons - the most common being retirement - about 30 employees have left SOA per year, and in their place 15 new ones were employed.

New employees are recruited on the basis of SOA needs for specific work places, and in line with employment plans and priorities for a specific year.

Gender Equality

Women make up 40% of SOA work force. They have the same rights, opportunities, and responsibilities as their male colleagues. SOA implements measures from the National Action Plan for the Implementation of UN SC Resolution 1325 (2000) on Women, Peace and similar resolutions, strengthening thereby the role of women.

Women account for 23% of the managerial positions in SOA, while 35% have senior or leading functions. In addition, the percentage of women in top positions has been increasing throughout the years, and SOA will continue to promote the role of women in the security-intelligence sector.
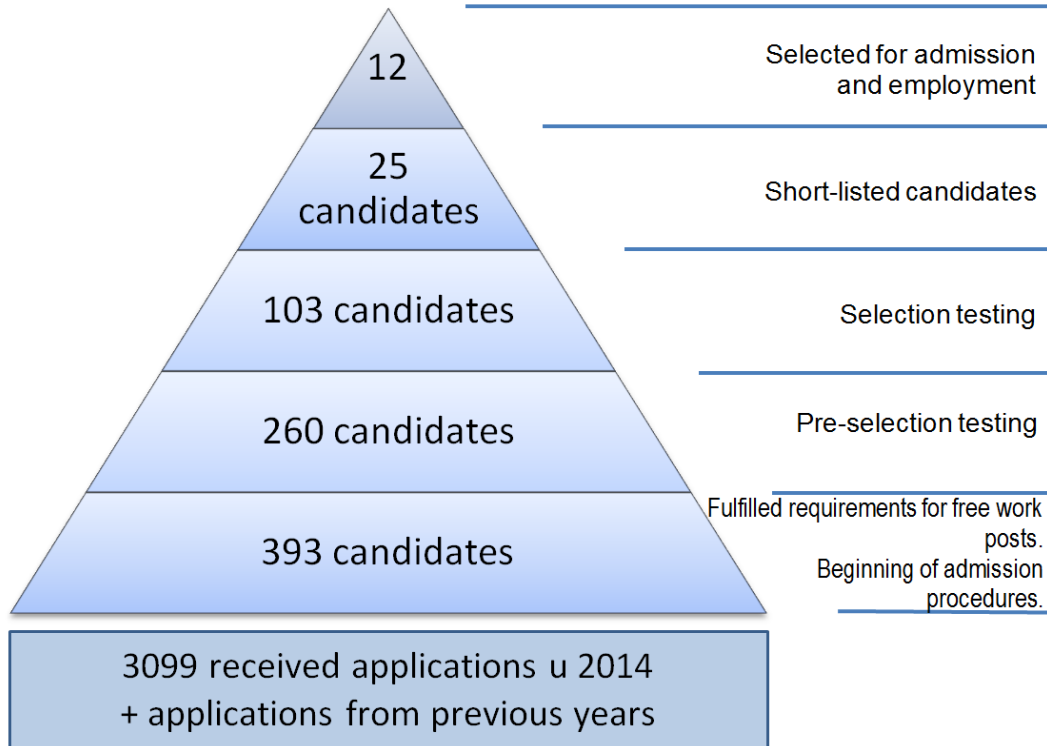
Admission Procedure

In 2014, 3099 CVs were received from individuals interested in finding employment in SOA. The CVs are usually sent by e-mail to the address zaposlenje@soa.hr. In addition, SOA cooperates with the Croatian Employment Office in finding candidates who correspond to its needs. SOA cooperates with Croatian academic and educational institutions as well.

The filling of each new workplace requires the application of a stipulated procedure and corresponding criteria. In line with this, those candidates whose qualifications and test results correspond most with the requested profile will be selected.

Persons interested in finding employment in SOA can send their applications and CVs to the e-mail address zaposlenje@soa.hr

12	Selected for admission and employment
25 candidates	Short-listed candidates
103 candidates	Selection testing
260 candidates	Pre-selection testing
393 candidates	Fulfilled requirements for free work posts. Beginning of admission procedures.
3099 received applications u 2014 + applications from previous years	

Overview of admission procedures by phases with number of candidates in each phase for the selection of 12 candidates

Education and Training

In accordance with the Development Plan, SOA exerted considerable effort in 2014 in implementing the education and training programme for its employees. Accordingly, 40% more employees participated in various education programmes in 2014 than in 2013.

In the process, particular emphasis was placed on the specialized education of SOA employees. The education programmes are implemented within SOA, as well as in cooperation with other educational and academic institutions and state administration bodies. In the education of its employees, SOA also uses programmes that are implemented abroad.

40% more employees were enrolled in various educational programmes in 2014 than in 2013.

SOA also organizes training courses for employees of other institutions within its scope of activity.

Challenges in Managing the Agency

At the beginning of 2013, a detailed analysis of the state and an assessment of capabilities was carried out as a basis for drawing up the SOA Development Plan. Among other things, the analysis established deficiencies in business processes and provided recommendations for their elimination.

The lack of long-term strategic planning in the Agency was one of the first findings. Frequent changes of security environments, as well as the intensive nature of SOA work, resulted in the focusing of SOA on short-term management plans. The SOA Development Plan, which sets the long-term direction of the Agency's development, is the prime response to this deficiency.

The management of the intelligence and security segments of work into one Agency was a particular challenge. The merging of the Intelligence and Counterintelligence agencies in 2006 brought these two segments under one roof, which implied the integration of two different concepts and methods of work, as well as the different uses of collected information. In addition, as is the case in the merging of any business organization, the coordination of different organizational cultures also presented a challenge. These difficulties were eliminated in time through organizational and process adjustments.

Some business processes also did not show adequate results. They were either not formalized and standardized by the appropriate by-laws, or else the technological and operative environment had rendered them obsolete. Some processes were the result of long-standing practices that did not adapt to changes in the operational environment, while some processes were established as being non-rational, mutually overlapping, and so forth. Such processes are systematically identified, eliminated according to plan, and substituted by others.

The drawing up of the Development Plan was preceded by a detailed analysis of the state and assessment of capabilities of the Agency.

A very important segment of SOA's functioning, for which the analysis found certain deficiencies, was the procedure of admission to SOA. The procedure was not sufficiently formally regulated, and the "pool" from which candidates were recruited was limited in relation to the possibilities present on the Croatian labour market. Therefore, the elimination of these deficiencies was a priority; thereby, human resource management attained a prominent place in the Development Plan.

The analysis established that SOA budget was not enough focused on development. The budget allocated to development did not ensure that the Agency would be able to meet long-term requirements of contemporary security-intelligence work. Security-intelligence work is "labour intensive" and requires considerable human engagement. Thus the share of personnel expenditures will always be the highest item in the budget. However, the speed with which technology advances requires ever higher investments in technological development and modernization. Therefore, the Development Plan establishes that SOA will, until the end of the plan period, increase yearly the share of the budget for development and modernization. Taking into consideration the budget limitations, the Development plan stipulates steps that will balance the structure of the budget within the existing frameworks. At the same time the process will not be dependent upon the daily functioning of the Agency.

Developing SOA Capabilities

SOA's Development Plan was drawn up based on the analysis in order to direct SOA's future development. The Development Plan sets the goals, projects, and activities geared at developing a modern Agency, capable of reacting to future challenges. The management of SOA in 2014 was guided by the objectives and projects established in the Development Plan.

The Plan sets three strategic goals:

1. **Achieving excellence and strategic impact**

SOA must achieve excellence in its capabilities and activities which will guarantee intelligence products that provide decision-makers with a basis for taking action and making decisions on national security. SOA's intelligence products should have an impact in the sense of resulting in concrete activities and facilitate competent and informed decisions on the part of other competent institutions.

2. **Agency Coherency**

In its activities, SOA must achieve synergy and mutual coordination of all its component parts. At the same time, it should connect with state institutions and bodies with which it cooperates in order to achieve the same synergy on the national level.

3. **Building Strong International Partnerships**

Counterbalancing trans-national security challenges is inconceivable without cooperation with foreign services. In addition, the Republic of Croatia is part of international integrations, where the differentiation between the national and international is constantly decreasing. SOA is developing strong international partnerships to achieve greater protection of national security and more effective development of its own capabilities.

Strategic goals are met through the implementation of numerous projects and activities. Progress was achieved in the course of 2014 in the following fields:

- Enhancement of the capabilities of collecting and analysing information and counterintelligence protection through a larger number of projects and activities. This development was achieved by investing in the capabilities of the employees as well as technological capabilities. The so-called "lessons learned" system provides for continuous improvement of work procedures and techniques.
- Continuation of the process of the organization's adjustment, including the number of employees, and their capabilities to meet new security challenges and the needs of operational processes.
- Considerable increase of investments in technological development and modernization, and implementation of selected technological projects.
- Development of the human resources management system, which provides for the selection of the best candidates, and continual specialized training and promotion at work with the optimal use of their capabilities. It is based on modern management methods and constant monitoring and assessment of employees.
- Development of relations with selected partner services, in accordance with the national foreign policy and needs of security-intelligence work, and active participation in international bodies and forums, particularly those linked to the EU and NATO.

SOA is under constant threefold external oversight: parliamentary oversight is carried out by the Croatian Parliament, expert oversight by the Office of the National Security Council, and civilian oversight by the Council for Civilian Oversight of Security and Intelligence Agencies

OVERSIGHT OF SOA ACTIVITIES

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External Oversight

SOA is under constant threefold external oversight: parliamentary oversight conducted by the Croatian Parliament through the Committee for Internal Policy and National Security, expert oversight carried out by the Office of the National Security Council, and civilian oversight carried out by the Council for the Civilian Oversight of Security-Intelligence Agencies.

In the course of 2014, the Committee for Internal Policy and National Security conducted one direct oversight of SOA activities; the Office of the National Security Council conducted a total of 11 regular and 1 additional oversight, while the Council for the Civilian Oversight of Security-Intelligence Agencies conducted five oversights.

In the course of 2012, external institutions conducted a total of 18 oversights of SOA activities.
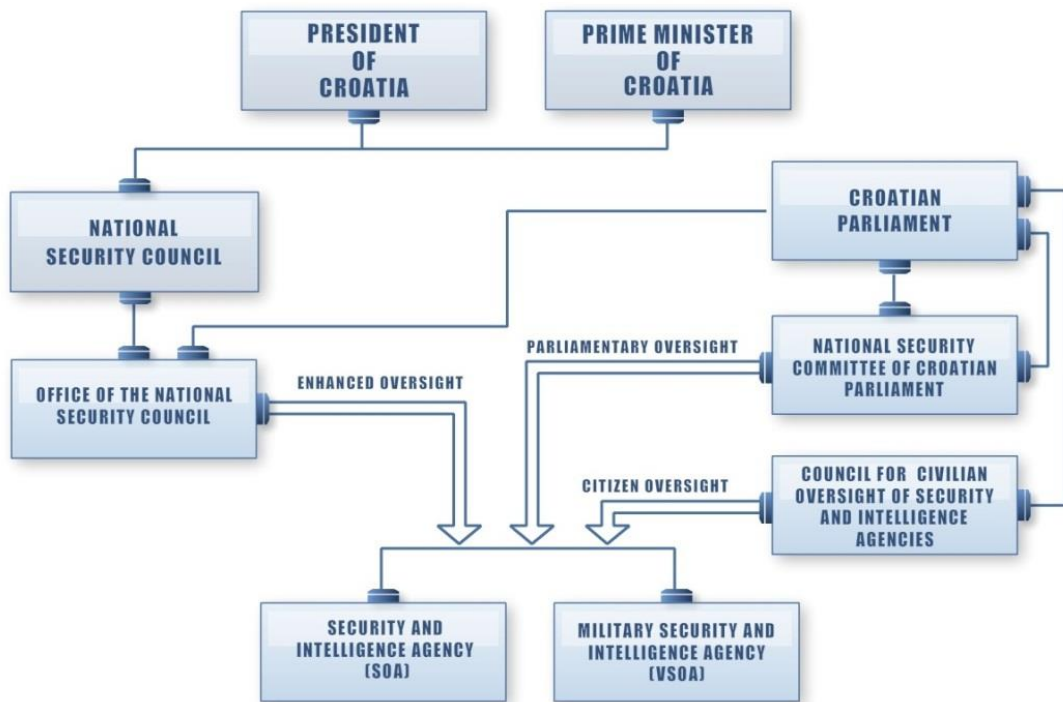
Illustration of the external oversight of the legality of SOA activities

Internal Oversight

Along with external oversight, the internal oversight of the constitutionality and legality of work of SOA units and employees is implemented, as well as the oversight of information confidentiality protection and counterintelligence protection of SOA in general. Within the framework of these security-intelligence procedures, regular oversight was conducted and specific cases investigated when doubt arose regarding possible suspect behaviour of SOA employees in terms of legality or violation of regulations.

In 2014, two full regular oversights of the legality of work in four organizational units of SOA were conducted, as well as 1 additional partial oversight.

In 2014, a total of 29 applications from oversight bodies and state institutions, that is, from citizens, were received for access to security-intelligence documentation linked to actual or presumed activities of SOA.

Nine disciplinary procedures were initiated in 2014 for violations of official duties.

Nine disciplinary procedures were initiated in 2014, due to violations of official duties, in line with the Act on the Security-Intelligence System of the Republic of Croatia and the State Employees Act.
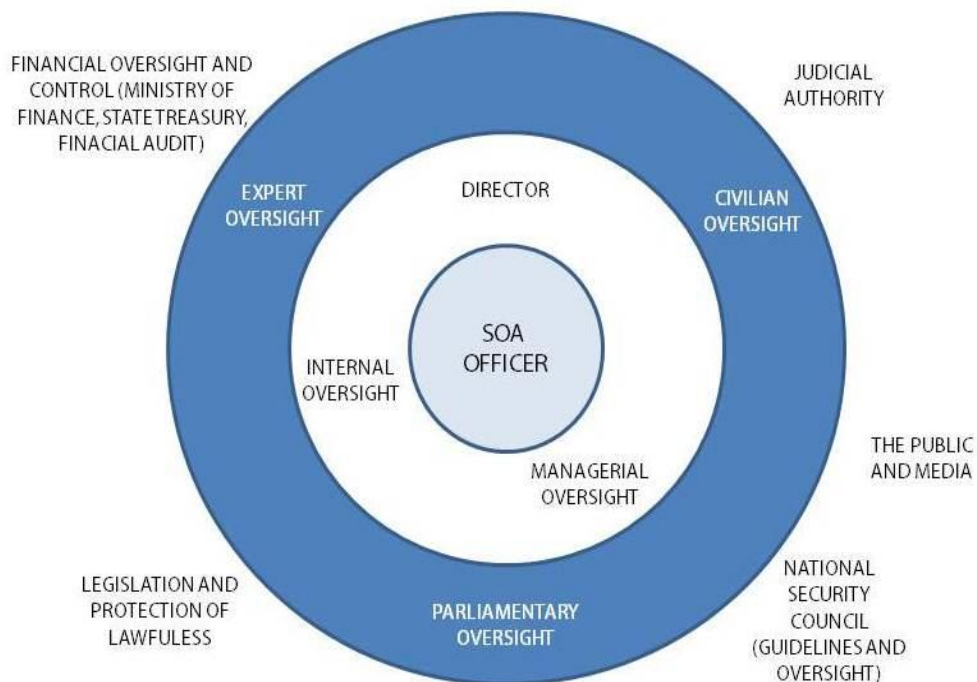

Illustration of multiple oversights of SOA activities

Public Accountability

Public relations present a challenge for SOA due to the need to keep the activities and operations of the Agency confidential and, at the same time, satisfy the public's need for authentic information on security challenges and on the work of the system they finance.

When answering journalists' questions SOA follows the rule of withholding comment on its activities or actual events and does not publically reveal any details linked to its operative activities.

On August 31, 2014, SOA released for the first time a Public Document on its work. The Public Document contained information on the role, competences and organization of SOA, its range of security-intelligence activities and oversight of SOA's work.

The Document was similar to reports of the services of developed democratic states, which they release regularly (Germany, Austria, Sweden, Switzerland, Finland, the Netherlands, Denmark, etc.).

The media devoted considerable attention to the issue of employment in SOA. As a result, SOA received, in the course of three months from the release of the Public Document, over 2200 applications of candidates interested in employment in SOA.

In accordance with the Act on the Right to Access Information, four requests for accessing information were received in 2014. One was approved and three were denied.

The first public document on SOA

SOA also supports communications and activities with bodies outside the security-intelligence system. SOA organizes visits and lectures for students in cooperation with universities. In 2014, lectures were held for students of political sciences and forensics. Likewise, on December 18, 2014, a second round table was held, with the participation of civil society organizations dealing with issues of human security, human rights, and transparency. The topics included the role of the security-intelligence system in a democratic society, and the transparency of SOA activities within the context of the released Public Document.

As an important part of public accountability, SOA has been making for some time a systematic inventory of the documentation it found from the former State Security Service of the Republic Ministry of Internal Affairs of the Socialist Republic of Croatia. The intention is to make this valuable archival material accessible, and the process of its categorization is in its final stages, after which it will be submitted to the competent state institution. The files on citizens, compiled in the course of work of the then State Security Service, have already been submitted the Croatian National Archives.

LIST OF ACRONYMS

EU – European Union

HRK – Croatian Kuna (national currency)

IAP – Ionian Adriatic Pipeline

ISIL - Islamic State of Iraq and the Levant

NATO – North Atlantic Treaty Organization

SE Europe – South-East Europe

SOA – Security-Intelligence Agency

TAP – Trans-Adriatic Pipeline

UN SC – United Nations Security Council

USKOK – Office for Combating Corruption and Organized Crime

UVNS – Office of the National Security Council

VSOA – Military Security and Intelligence Agency

WMD – Weapons of Mass Destruction

Security-Intelligence Agency

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