



REPUBLIC OF SLOVENIA
COURT OF AUDIT

AUDIT REPORT

Efficiency of granting the status of a non-governmental organisation operating in the public interest in the field of sports, social protection, environmental protection, nature conservation and development of non-governmental organisations

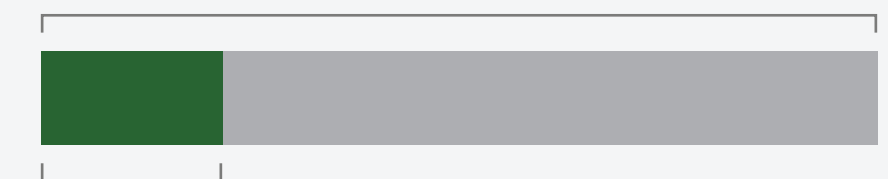
Performance audit

Audit period: 1 January 2019 to 31 December 2021

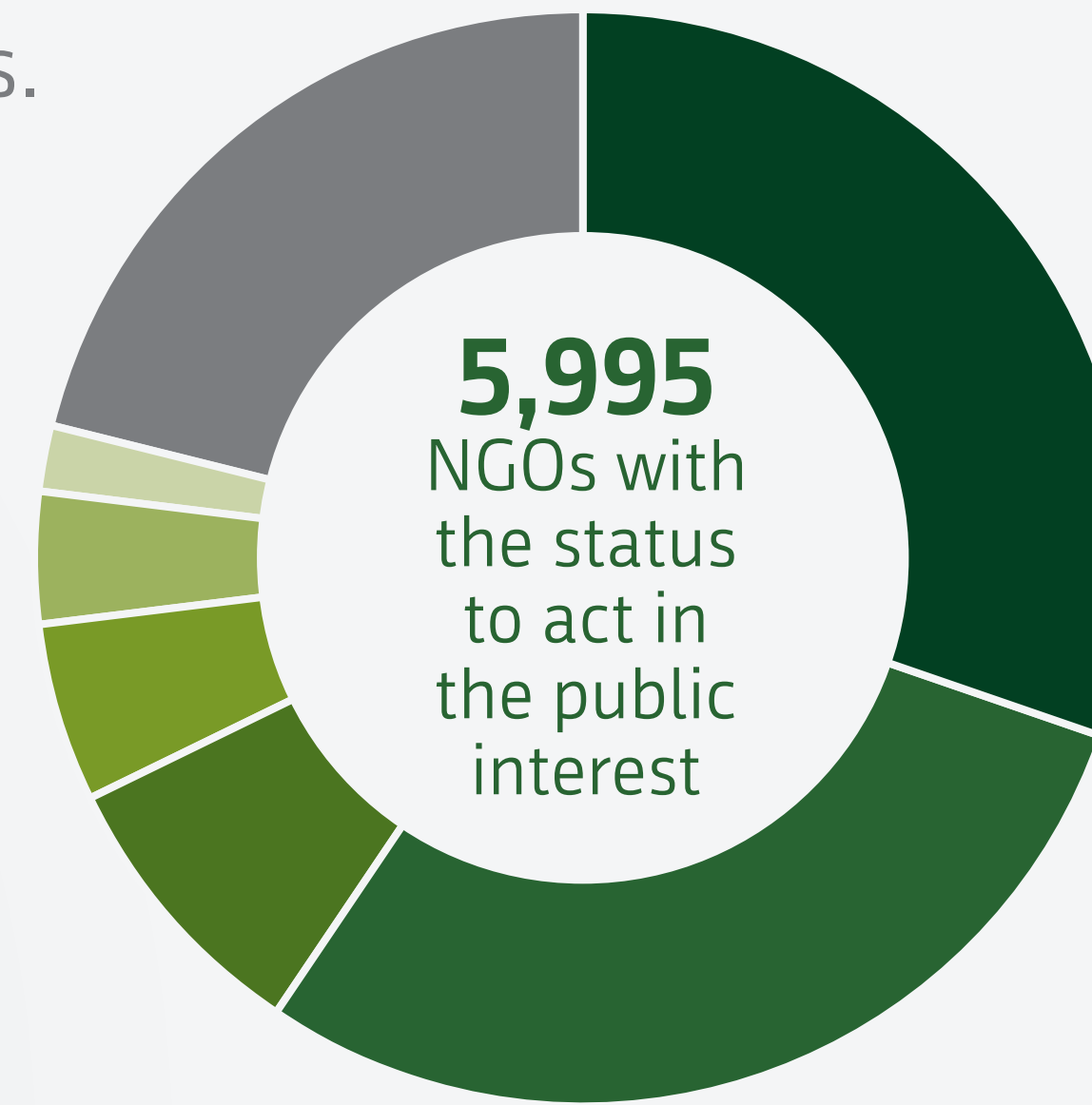
Non-governmental organisation (NGO) acts in public interest

if its operations go beyond interests of its founders and **is overall beneficial** and if it meets other conditions defined by Non-Governmental Organisations Act and sectoral acts.

26,466 of all NGOs in Slovenia



5,995 NGOs with the status to act in the public interest



data for the year 2021

- 30.4% natural and other disasters
- 29.3% sport
- 8.2% hunting and fishing
- 5.3% music
- 3.9% social security
- 1.8% disability protection
- 19.1% other fields



The Court of Audit selected **fields** with different number of NGOs with the status to act in the public interest.

Auditees:

- Ministry of Education, Science and Sport** – for the field of sports,
- Ministry of Labour, Family, Social Affairs and Equal Opportunities** – for the field of social security,
- Ministry of the Environment and Spatial Planning** – for the field of environmental protection and nature conservation,
- Ministry of Public Administration** – for the field of NGO’s development.

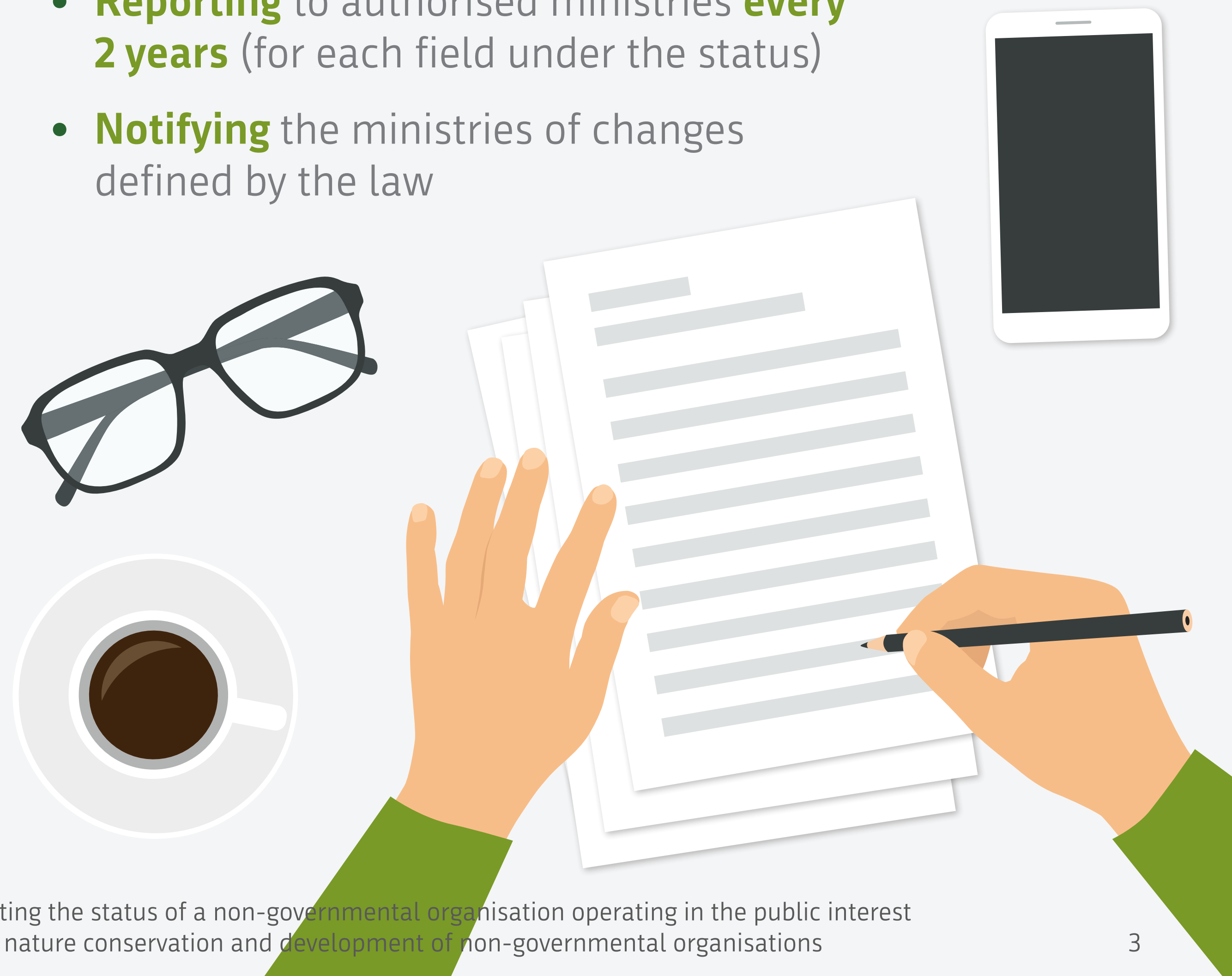
What does the status of NGO to act in the public interest bring?

RIGHTS

- The right to obtain **1% of income tax** from taxpayers
- **Additional points** in the assessment procedure **of the public calls** at the ministries
- A right **to represent** specific interests **in the administrative or judicial proceedings**
- **Possibility to use immovable property** owned by the State or municipalities **free of charge** for implementing their activities
- **Higher quota of allowed hours** of temporary and occasional work provided by pensioners
- **Tax reductions** in carrying out activities

OBLIGATIONS

- **Reporting** to authorised ministries **every 2 years** (for each field under the status)
- **Notifying** the ministries of changes defined by the law



Granting the status

1 APPLICATION FOR THE STATUS

- ✔ ministries **informed NGOs about conditions and criteria** for the presentation of important achievements
- ministries **failed to inform NGOs** about all necessary evidence to be attached to the application

2 REVIEWING IF CONDITIONS AND CRITERIA ARE MET

- to present important achievements the ministries **defined criteria which mainly do not reflect important achievements**, they rather show operations of the NGOs
- ⊖ ministries **failed to document** implemented reviews
- ministries **did not always demand** to supplement the applications
- ministries **did not always cooperate** in line with the procedure

3 GRANTING THE STATUS (ISSUING THE DECISION)

- ⊖ **inconsistency of content** of decisions despite the same right
- ministries **failed to issue decisions** in all cases **in accordance with the foreseen timetable**
- **considerable delays in granting the status** after the transitional provisions of the act and when more ministries cooperated

4 STATUS RECORDED

- ministries **did not always timely record data** mainly related to granting the status after the transitional provisions of the act and when more ministries cooperated
- ✔ **newly granted statuses** were **timely recorded** by ministries

Reviewing compliance with the obligations (every 2 years!)

1 REPORT WITH ANNEXES

- ⊙ ministries **failed to inform NGOs about all their responsibilities**
- ⊙ in case a report was not submitted or was not complete all ministries **did not call upon NGOs to report** or to supplement reports

2 REVIEWING IF OBLIGATIONS AND CONDITIONS ARE MET

- ⊖ ministries **failed to document all implemented reviews**
- ⊖ all ministries **failed to present that they received all necessary proof** about meeting the conditions and obligations
- ⊙ ministries **failed to constantly cooperate in line with foreseen procedure**

3 MAINTAINING OR SUSPENDING OF THE STATUS

- ⊙ in all cases the ministries **failed to issue** decisions on suspension **in due time**

4 DELETING OF THE STATUS FROM THE RECORDS

- ⊙ **larger delays** when several ministries should cooperate

Granting the status and reviewing compliance with the obligations – common findings



procedures of granting the status on several fields **were carried out by only 1 official** (regardless of many different NGOs with the status to act in the public interest), so the ministries with different degrees of precision implemented the provisions of legislation, mainly reviewing whether the conditions to grant or maintain the status were met



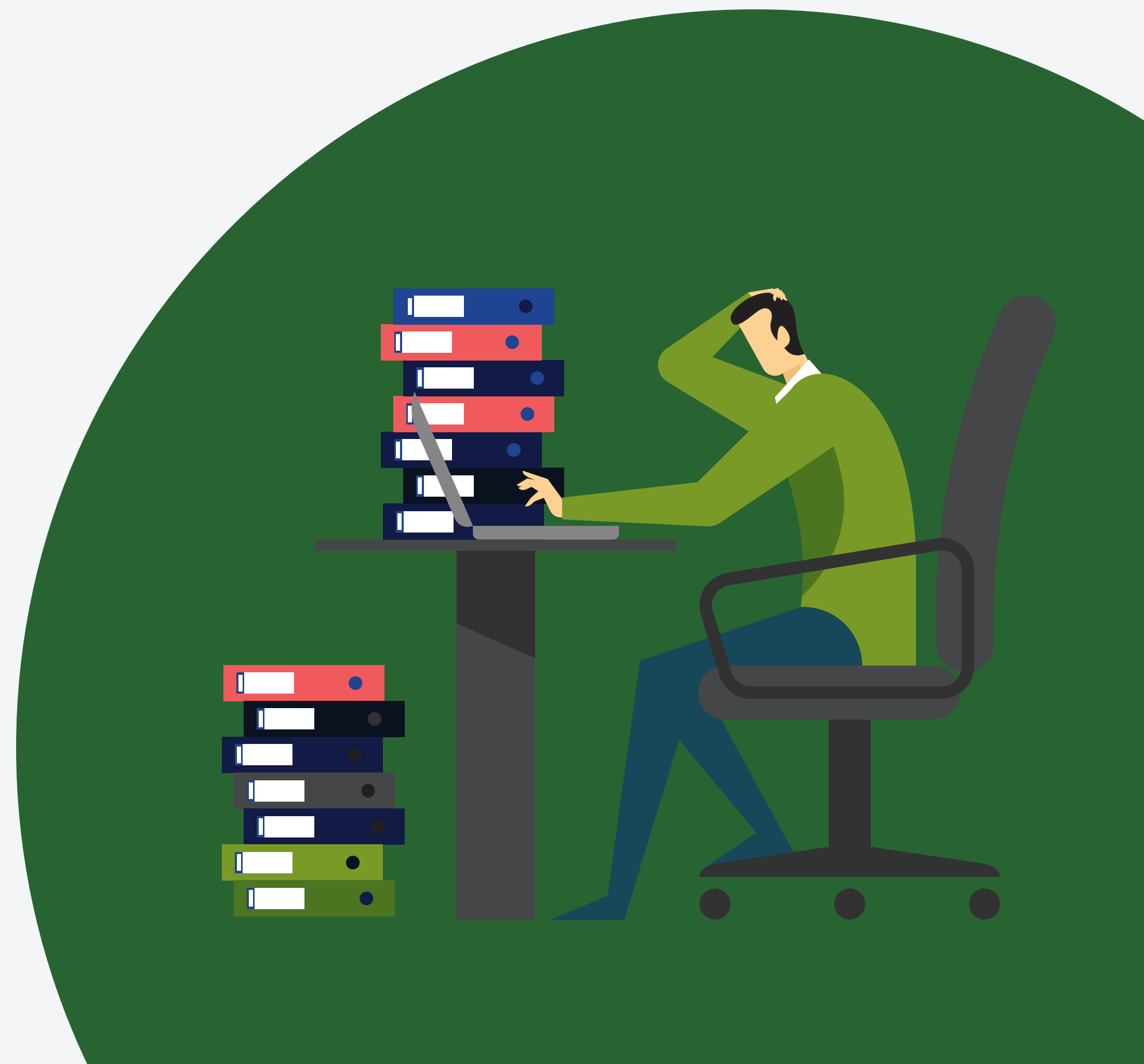
related to granting the status to act in the public interest in different fields **the cooperation among the ministries is complex, procedures are lengthy**



to assist the ministries in their cooperation and implementation of procedures **there was not set up an information solution**, thus a lot of documentation is sent from one ministry to other and procedures are prolonged



some **legal provisions unnecessarily increase the administrative burden** (NGOs can immediately after the suspension of their status apply for new status – there are 2 procedures; NGO with the status to act in the public interest in different fields can report one year for one field and next year for the other field)



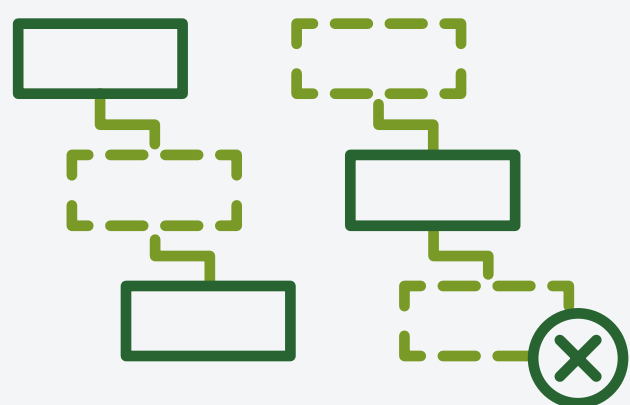
OPINION OF THE COURT OF AUDIT

related to granting the status of NGO to act in the public interest

- Ministry of Education, Science and Sport was **inefficient** in the field of sports
- Ministry of Labour, Family, Social Affairs and Equal Opportunities was **partially efficient** in the field of social security
- Ministry of the Environment and Spatial Planning was **partially efficient** in the field of environmental protection and nature conservation
- Ministry of Public Administration was **partially efficient** in the field of NGO's development

Demand of the Court of Audit: Ministry of Public Administration must

invite all authorised ministries to report on:



weaknesses and deficiencies, which occur in the procedures of granting and maintaining of the status



the needs for information support to implement procedures

develop activities to carry out analysis on how



provisions of Non-Governmental Organisations Act (timetable for the preparation and implementation of measures to remedy the disclosed weaknesses and deficiencies) **were implemented**

Recommendations to the ministries

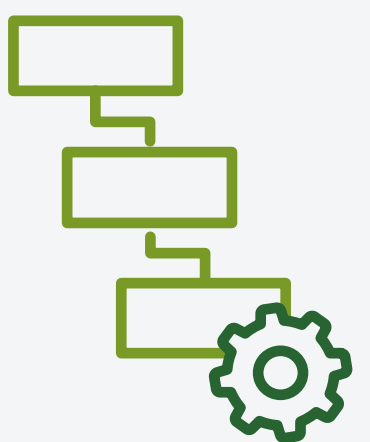
The Court of Audit proposed several recommendations to ministries, among others to:



define evidence proving that NGOs are meeting each criterion for presenting important achievements and inform NGOs thereof



document undertaken reviews of implemented conditions to be granted the status of NGO to act in the public interest and fulfilling obligations and conditions of the NGOs



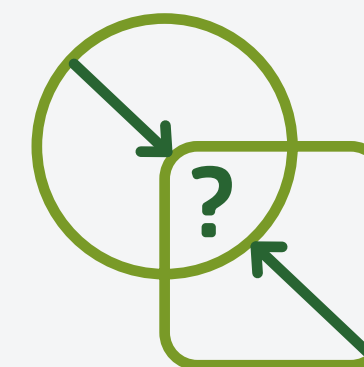
prepare or **supplement rules of procedure by defining** activities to be undertaken in the procedure of granting or suspending the status of NGO to act in the public interest

Recommendations to the Ministry of Public Administration

The Court of Audit recommended to the Ministry of Public Administration to consider criteria for presenting important achievements of NGOs in cooperation with other ministries to establish:



whether they are **conditions or important achievements**



whether **criteria similar in content** from different fields could be considered **in a more unified manner**