

NGOs Warn About the Pressures of the Banking Lobby after Non-Final Ruling against Eight Banks in Croatia

After the first instance ruling of the Commercial Court in Zagreb on the 4th July 2013 in favour of the citizens [against eight banks](#), heavy-handed pressure is exerted by the banking lobby on the executive branch of the Government and the public.

The executive branch of the Government has, unfortunately, succumbed to pressure, and messages were heard aimed at exerting direct influence on the judiciary. We find this unacceptable, as such behaviour violates separation of branches of government guaranteed by the Constitution.

Namely, soon after a meeting of the Croatian Government with CEOs of the two largest commercial banks and the Governor of the Croatian National Bank, the Deputy Prime Minister **Branko Grčić**, **speculating on the implications of the ruling, publicly stated: "This cannot be good for us, especially now, when we are facing a situation in which availability of loans is one of the key drivers of economic recovery. Therefore, we would like to avoid any instability"**. In this statement, the Deputy Prime Minister of Croatia is openly siding with the banking lobby.

In our opinion, any comment on first-instance rulings from the position of the executive branch of government is irresponsible and unacceptable. Pressure on the judiciary and the Croatian public exerted on the eve of continuation of procedure before a higher court is unacceptable behaviour in any democratic society.

Signatories of this open letter firmly oppose such violations of constitutional provisions and uphold respect for separation of powers, intending to monitor actions of all competent bodies obliged to ensure the rule of law and judiciary independence in the Republic of Croatia without fail or reprieve.

We should like to bring your attention once again to the Article 4 of the Croatian Constitution: "In the Republic of Croatia government shall be organized on the principle of separation of powers into the legislative, executive and judicial branches, but also limited by the constitutionally-guaranteed right to local and regional self-government."

Furthermore, the Article 6 of the Judiciary Act (Official Gazette no. 28/13) unambiguously prescribes: "Any interference with the administration of justice, and, particularly, any use of public authority, the media, and, in general, public presentations, in order to interfere with the judicial process and its outcome, shall be forbidden".

The attempt to create a perception of interconnectedness between potential financial and legal insecurity in the Republic of Croatia on the one hand and the validity of the ruling in question on the other is an obvious attempt of the banking lobby to influence the judiciary via the executive branch. Openly succumbing to pressure, the Deputy Prime Minister's statement attempts to mentor the judiciary under the guise of concern for the national economy and the well-being of Croatian citizens.