

## THE LEGAL ENVIRONMENT OF LOBBYING

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### Abstract

This paper analyzes the legal environment of lobbying with particular attention to the 2024 Act on lobbying adopted in the Republic of Croatia. The study places Croatia's legislation in a comparative context with the laws of Serbia and Hungary, and emphasizes the regulatory mechanisms established at the level of the European Parliament. The paper defines lobbying as a legitimate democratic activity of interest representation and focuses on institutional frameworks, transparency mechanisms, the registration of lobbyists, and the roles of supervisory bodies. It critically addresses the main implementation challenges, including insufficient control capacity and informal lobbying practices, and offers recommendations to improve regulatory effectiveness and align national practices with EU standards. The analysis affirms the need for a comprehensive and enforceable lobbying framework to enhance transparency, accountability, and public trust in decision-making processes.

*Keywords: lobbying, regulation, transparency, public interest, European Parliament*

### INTRODUCTION

Lobbying, as a form of interest representation, has become an integral part of modern democratic systems. Its influence on public policies and legal frameworks is undeniable, especially in complex multi-level governance environments. However, due to the potential risks of corruption, undue influence, and opacity, the need for clear legal regulation of lobbying activities has become a priority for many countries, including Croatia. With the adoption of the Act on lobbying in January 2024 (NN 7/2024), Croatia has joined a growing number of European states striving to regulate lobbying practices in line with principles of transparency, accountability, and integrity.

This paper provides an overview of the legal environment of lobbying, emphasizing the Croatian legal framework, and compares it with relevant legislation in Serbia and the former Hungarian regulation. Furthermore, it elaborates on lobbying practices and regulation within the European Parliament, recognizing the EU's pioneering role in establishing transparency standards for lobbying.

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## 2. CONCEPT AND DEVELOPMENT OF LOBBYING

Lobbying refers to organized efforts by individuals or groups lobbyists or interest representatives to influence decision-making processes in public institutions. The term originates from the practice of seeking access to lawmakers in the lobbies of legislative chambers. Today, lobbying is professionalized and institutionalized, often conducted by registered lobbyists, consulting firms, professional associations, NGOs, or corporations.

The development of lobbying is linked to democratic pluralism, which recognizes the legitimacy of various interest groups in shaping public policies. In the EU and its Member States, the growing complexity of legal norms and the increasing number of stakeholders have emphasized the need for lobbying regulation. Croatia's move to regulate lobbying came in response to public demands for greater transparency in political decision-making and to align national practices with EU standards.

## 3. COMPARATIVE OVERVIEW OF LOBBYING REGULATIONS (CROATIA, SERBIA, HUNGARY)

### 3.1. Croatia

Croatian lobbying Act, (Official gazette 7/2024) defines lobbying as any activity undertaken to influence decision-making processes in public bodies, which includes the Parliament, the Government, ministries, regulatory agencies, and local and regional authorities. The law introduces a mandatory Register of Lobbyists, sets out obligations for lobbyists and public officials, defines sanctions for breaches, and is enforced by the Commission for the Prevention of Conflicts of Interest.

Key elements of the law include:

- Mandatory registration for all lobbyists engaging in lobbying activities;
- Prohibition of lobbying without registration;
- Obligation of public officials to report lobbying contacts;
- Cooling-off period for former officials;
- Regular publication of lobbying activities.

### 3.2. Serbia

Serbia's Law on lobbying (Official Gazette RS, 87/2018) entered into force in 2019. It defines lobbying similarly to the Croatian law but introduces three categories of lobbyists: professional lobbyists, legal entities, and lobbying for personal interest. It also mandates registration, imposes reporting obligations, and defines disciplinary measures. A unique feature of the Serbian model is the regulation of non-professional lobbying.

### 3.3. Hungary (until 2011)

Hungary's former Act XLIX of 2006 on Lobbying Activities was repealed in 2011 due to inefficiency. It introduced a voluntary lobbyist register and required annual reporting, but the lack of enforcement and the low number of registrations contributed to its abolition. Since then, lobbying in Hungary is not specifically regulated by a standalone law, but aspects are addressed through general anti-corruption and transparency laws.

## 4. LOBBYING IN THE EUROPEAN PARLIAMENT

The European Parliament, as one of the central institutions of the European Union, has developed a comprehensive framework for the regulation of lobbying. The Transparency Register, established jointly by the European Parliament and the European Commission in 2011 and reformed in 2021, serves as a central public database of organizations and self-employed individuals engaged in activities intended to influence EU policy-making.

Key characteristics of lobbying regulation in the European Parliament include:

- Mandatory registration for lobbyists wishing to access the Parliament premises;
- Disclosure of financial and client information;
- Annual reporting obligations;
- Code of conduct for lobbyists;
- Public access to meetings between Members of the European Parliament (MEPs) and lobbyists.

Lobbying at the EU level is viewed as a legitimate and necessary channel for conveying expertise and interest representation. The institutionalization of the Transparency Register, accompanied by ethical guidelines and enforcement mechanisms, has made the EU one of the most transparent lobbying environments globally.

## 5. CHALLENGES AND RECOMMENDATIONS FOR IMPROVEMENT

Despite the formal establishment of legal frameworks for lobbying in Croatia and other jurisdictions, several challenges remain. These include insufficient public awareness, limited enforcement capacity, vague definitions in legal texts, and the persistence of informal lobbying practices that escape regulatory oversight.

In Croatia, the Commission for the Prevention of Conflicts of Interest lacks investigative powers and relies on cooperation with other institutions. Furthermore, the definition of lobbying activities excludes certain grey areas, such as think-tank initiatives or informal political consultations, potentially allowing circumvention.

To enhance the effectiveness and credibility of lobbying regulation, the following recommendations are proposed:

- Strengthening the investigative and sanctioning powers of supervisory bodies;
- Introducing regular training for public officials and lobbyists on ethical conduct and legal obligations;
- Encouraging proactive publication of meetings and lobbying activities by public bodies;
- Harmonizing definitions and procedures with EU best practices;
- Promoting civic education on the role of lobbying in democracy.

Given the dynamic nature of interest representation, lobbying regulation must be adaptable, forward-looking, and embedded in broader anticorruption and integrity strategies. Only through such comprehensive approaches can lobbying contribute constructively to democratic governance and policy-making.

## 6. CONCLUSION

The regulation of lobbying represents a critical component of modern democratic governance, aimed at ensuring transparency, accountability, and the integrity of decision-making processes. The adoption of the 2024 Act on Lobbying in Croatia marks a significant step forward in aligning national practices with European standards and addressing long-standing concerns about informal influence and opaque interactions between public officials and interest groups.

Comparative analysis with Serbia and Hungary illustrates diverse legislative approaches, revealing both good practices and shortcomings. Serbia's broader classification of lobbyists and Hungary's legislative failure underscore the importance of clarity, enforcement, and institutional capacity. At the EU level, the European Parliament has established one of the most advanced and transparent lobbying frameworks, offering valuable models for Member States.

Despite Croatia's progress, the effectiveness of the legal framework will depend on its implementation. The Commission for the Prevention of Conflicts of Interest, as the supervisory authority, must be equipped with adequate powers and resources. Moreover, legal norms must be continuously evaluated and adapted to address emerging challenges, such as the role of digital lobbying, revolving doors, and unregistered influence channels.

Lobbying, when properly regulated, enhances democratic participation by providing channels for legitimate interest representation and expert input. Rather than stigmatizing lobbying, legal systems should seek to demystify and normalize it as a controlled and transparent component of public life. Croatia now has a foundation in place what remains is to build a culture of openness, compliance, and ethical engagement that reinforces public trust in democratic institutions.

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