



REPUBLIC OF CROATIA
CROATIAN FINANCIAL SERVICES
SUPERVISORY AGENCY

REGULATORY HARMONISATION AND INTERNATIONAL COOPERATION DIVISION

CLASS: 994-11/22-02/03
REGNO: 326-01-70-22-26
Zagreb, 15 September 2022

Dear Colleagues,

Croatian Financial Services Supervisory Agency published on its website Information concerning general good requirements of Croatian law (mandatory provisions of Croatian law) which, among other things, contain provisions on the obligations of the insurance undertakings which provide compulsory motor third part liability insurance as well as those that collect fire insurance premiums to pay certain fees.

In this way, we would like to kindly ask you to remind your insurance undertakings, which provide such services on the territory of the Republic of Croatia, of the abovementioned obligations:

Health Insurance

According to Article 72(1)(11) of the Act on Compulsory Health Insurance (Official Gazette No. 80/13, 137/13; hereinafter: ACHI), incomes of the compulsory health insurance are, among others, incomes from compulsory Motor Third Party Liability insurance. Furthermore, according to Article 72(3) of the ACHI, those incomes shall be paid by insurance undertakings in the amount of 4% of the settled risk premium of compulsory Motor Third Party Liability insurance. This amount represents an advance compensation for the damage to the Croatian Institute for Health Insurance in the cases referred to in Article 140 of the ACHI caused by owners or users of the insured motor vehicle. Furthermore, according to Article 72(4) of the ACHI, insurance undertakings are obliged to reimburse the income referred to in Article 72(1)(11) of the ACHI in accordance with Article 72(3) of the ACHI by the 10th day of the month for the previous month on the total amount of settled risk premium of compulsory Motor Third Party Liability insurance into the account of the Croatian Institute for Health Insurance.

Furthermore, according to Article 77(1) of the IA, the ACHI applies to all insurance undertakings from the EEA which in accordance with the provisions of the IA and ACITS provide services relating to compulsory Motor Third Party Liability insurance in the territory of the Republic of Croatia under freedom of services and freedom of establishment. In addition, insurance undertakings from another Member State which provide compulsory Motor Third Party Liability insurance in the territory of the Republic of Croatia on a freedom to provide services or freedom of establishment basis are obliged to pay 4% of the settled risk premium of compulsory Motor Third Party Liability insurance to the Croatian Institute for Health Insurance as described above.



Fees paid upon realization of fire insurance premiums

Pursuant to Article 112 of the Fire Protection Act (Official Gazette No. 125/2019), insurance undertakings set aside funds totalling 5% of the fire insurance premium; 30% of these funds are paid into the account of the Croatian Firefighting Association, 30% into the special account of the firefighting association of the county, or the City of Zagreb, in the area where the insured property is located, and 40% into the account of the firefighting association of the municipality or city in the area where the insured property is located. These funds are managed separately, and are used for carrying out firefighting activities and activities of public firefighting units, voluntary firefighting societies, firefighting associations of municipalities, cities, counties and the City of Zagreb, according to the standards established by the Fire Headquarters of the Croatian Firefighting Association.

Legal entities that establish their own insurance funds for fire insurance of their property pay fees from these funds in the amount and in the manner determined in Article 112(1) of the Fire Protection Act. These insurance undertakings or insurance funds are obliged to submit to the Croatian Firefighting Association a report for the previous year containing the following information, no later than by the end of February of the current year:

- the insurance undertaking's total income from fire insurance premiums
- the amount of the mandatory payment in accordance with the Fire Protection Act
- the total amount paid to the Croatian Firefighting Association
- the total amount paid to the firefighting association of the county and the firefighting association of the City of Zagreb
- the total amount paid to the firefighting associations of the local self-government unit
- difference for payment or return.

Fire insurance premium paid by legal entities that have their own professional firefighting unit or their own voluntary firefighting society laid down by the Fire Protection Act is reduced by insurance undertakings by 30% of the amount determined by Article 112(1) of the Fire Protection Act only for the property their units insure in accordance with the fire protection plan.

Insurance undertakings and insurance funds are obliged to fulfil the obligation to pay the above-mentioned funds at least quarterly.

We kindly ask you if you could please warn the relevant insurance undertakings to pay the fees in question as soon as possible, and no later than 1st of January 2023.

Thank you in advance.

Kind regards,

HEAD OF THE REGULATORY HARMONISATION AND
INTERNATIONAL COOPERATION DIVISION

Anamarija Staničić

