HOUSE OF REPRESENTATIVES OF THE CROATIAN PARLIAMENT

Pursuant to Article 89 of the Constitution of the Republic of Croatia, I hereby issue the

DECISION

PROMULGATING THE ACT ON THE PROTECTION AND PRESERVATION OF CULTURAL OBJECTS

I hereby promulgate the Act on the Protection and Preservation of Cultural Objects, enacted by the House of Representatives of the Croatian Parliament at its session of 18 June 1999.

No.: 01-081-99-1280/2 Zagreb, 25 June 1999

> President of the Republic of Croatia Franjo Tuđman, m.p.

ACT

ON THE PROTECTION AND PRESERVATION OF CULTURAL OBJECTS

I GENERAL PROVISIONS Article 1

This Act regulates the types of cultural objects, the establishment of protection of cultural objects, the obligations and rights of the owners of cultural objects, the measures to protect and preserve cultural objects, the performance of activities of protecting and preserving cultural objects, the performance of administrative and inspection activities, the operation and scope of work of the Croatian Council for Cultural Objects, the funding of protection and preservation of cultural objects, and other issues related to the protection and preservation of cultural objects.

Article 2

Cultural objects are of interest to the Republic of Croatia and enjoy its special protection.

Cultural objects within the meaning of this Act are as follows:

- movable and immovable objects of artistic, historical, palaeontological, archaeological, anthropological and scientific significance,

- archaeological sites and archaeological zones, landscape and the parts thereof which are a testament to the presence of man in space, and which have artistic, historical and anthropological value,
- non-material forms and manifestations of man's spiritual creations in the past, as well as documentation and bibliographical heritage, and
- buildings or space in which cultural objects and the corresponding documentation are kept or exposed on a permanent basis.

Cultural objects enjoy protection under the provisions of this Act irrespective of ownership, preventive protection or registration.

Article 4

Owners, as well as holders of rights to cultural objects, and other persons having cultural objects are responsible for the protection and preservation of such cultural objects under the provisions of this Act.

Protection and preservation of cultural objects, as well as the related protective measures and the control of their implementation are within the scope of work and responsibility of state administration bodies, the bodies of local self-government and administration and the bodies of local self-government in the area of culture, spatial planning and landscaping, environmental protection, construction, housing and municipal economy, tourism, finance, internal affairs and justice according to the law and other regulations.

All citizens are bound to take care of the protection and preservation of cultural objects, and notify the competent authority of the existence of any goods presumed to have the capacity of a cultural object.

Article 5

The purpose of protecting cultural objects is the following:

- to protect and preserve cultural objects in their unaltered and original condition, and pass cultural objects to future generations,
- to create conditions conducive to the survival of cultural objects and to take measures required for their regular maintenance,
- to prevent any actions that could alter, either directly or indirectly, the characteristics, the form, the significance and the appearance of a cultural object, thus jeopardising its value,
- to prevent illicit handling and illicit traffic in cultural objects, and to control the taking out and import of cultural objects,
- to create conditions enabling cultural objects to serve the needs of individuals and the general interest, in conformity to their purpose and meaning.

Within the meaning of this Act, the terms below shall have the following meaning:

- 1. protection of cultural objects means primarily the implementation of protective measures of legal and expert nature under the provisions of this Act, in accordance with the rules of the conservation profession,
- 2. preservation of cultural objects means the implementation of measures of protection and preservation in order to prolong the life of those qualities which distinguish a particular cultural object as a monument,
- 3. safeguarding of cultural objects means systematic monitoring of the condition of cultural objects and protection against any threats to the object or its qualities as a monument, as well as against any other illicit or unauthorised uses,
- 4. *maintenance of cultural objects* means systematic monitoring of the condition of cultural objects and the taking of measures and works necessary to retain the qualities which distinguish a particular cultural object as a monument, as well as the integrity and the purpose of the cultural object concerned,
- 5. *cultural-historical whole* means the settlement or a part thereof, as well as an area protected as a cultural object,
- 6. *holder of the right to a cultural object* also means, in addition to the owner, the holder of other real and obligatory rights to the cultural object,
- 7. *possessor of a cultural object* means any person holding the cultural object regardless of the modality and the grounds for possession,
- 8. system of measures to protect cultural objects means all protective measures set up to provide full protection and preservation of a particular cultural good,
- 9. *competent authority* means the Conservation Department with the Ministry of Culture within whose area the cultural object is located, and in the City of Zagreb, the City Office for the Protection of Monuments of Culture and Nature in Zagreb.

II TYPES OF CULTURAL OBJECTS 1) Immovable Cultural Objects

nmovable Cultural Objects Article 7

Immovable cultural objects include:

- towns, villages, settlements or a part thereof,
- buildings or a part thereof, and buildings with the surrounding landscape,
- elements pertaining to historical facilities in settlements,
- areas, locations, monuments and markings in connection with historical events and persons,

- archaeological sites and archaeological zones, including underwater sites and zones,
- areas and locations that have ethnological significance or significance as toponyms,
- landscape or a part thereof which has historically typical structures, testifying to the presence of man in space,
- gardens, public pleasure gardens and parks,
- technical facilities with equipment and other similar structures.

2) Movable Cultural Objects Article 8

Movable cultural objects include:

- collections in museums, galleries, libraries and other institutions, and other legal entities and state and administrative bodies, including natural persons,
- the inventories of ecclesiastical institutions,
- archives, records, documents, letters and manuscripts,
- films,
- archaeological finds,
- anthological works of art and applied arts and design,
- ethnographic objects,
- old and rare books, money, securities, postal stamps and other publications,
- documentation on cultural objects,
- stage properties, sketches, costumes and other,
- usage objects (furniture, clothing, weapons and other), means of traffic and transport and equipment, objects that represent important testaments to the development of science and technology.

3) Non-material Cultural Objects Article 9

Non-material cultural objects may be various forms and manifestations of spiritual creation passed down by tradition or in some other way, and in particular:

- language, dialects, speeches and toponyms, and oral literature of all kinds,

- folk creation in the area of music, dance, tradition, games, ceremonies, customs, and other traditional folk values,
- traditional skills and crafts.

Preservation of non-material cultural objects is implemented by making and keeping records of them and encouraging their passing on to new generations and safeguarding them in their authentic and other surroundings.

III ESTABLISHING PROTECTION OF CULTURAL OBJECTS 1) Preventive Protection Article 10

Objects presumed to have the capacity of a cultural object may be the subject matter of interim decisions ordering preventive protection. Decisions ordering preventive protection are issued by the competent authority depending on the location of the object.

Decisions ordering preventive protection determine the object of preventive protection and the time-limit concerned.

The period of duration of preventive protection runs until the adoption of the decision referred to in Article 12 of this Act, but may not be longer than 3 years, except in the case of archaeological and underwater archaeological sites in which case the time-limit may not exceed 6 years of the date of issuing the decision.

If by the time of expiration of the time-limit referred to in paragraph 3 of this Article the decision determining the capacity of a cultural object is not issued, the decision ordering preventive protection ceases to be valid.

Decisions ordering preventive protection of real property must specify the boundaries of the object which is subject to preventive protection.

An appeal against the decision ordering preventive protection does not stay the enforcement of the decision.

Article 11

This Act and all regulations relating to cultural objects apply to objects subject to preventive protection.

The object referred to in paragraph 1 of this Article is entered in the List of objects subject to preventive protection, which is a special part of the Cultural Objects Register of the Republic of Croatia (henceforth: the Register).

2) Determining the Capacity of a Cultural Object Article 12

The Ministry of Culture determines the capacity of a cultural object based on an expert analysis.

Decisions determining the capacity of an immovable cultural object must specify the boundaries of the cultural object being protected, and forwarded to the competent cadastre and court in order to be recorded in the land register.

Decisions determining the capacity of a cultural object relating to an underwater archaeological site also must be forwarded to the competent harbour master's office.

The decision referred to in paragraph 1 of this Article must specify the system of measures to protect the cultural object and the obligation to make an entry of the cultural object in the Register, the List of protected cultural objects.

An appeal against the decision referred to in paragraph 1 of this Article does not stay the enforcement of the decision.

3) Cultural Objects of National Importance Article 13

Cultural objects determined to be of the utmost national importance to the Republic of Croatia are entered in a special part of the Register, the List of cultural objects of national importance.

The procedure for analysing cultural objects referred to in paragraph 1 of this Article is conducted by a special expert commission comprised of five members, who are appointed by the minister for culture from amongst the ranks of prominent experts in cultural heritage.

Based on the expert analysis, the commission referred to in paragraph 2 of this Article proposes the adoption of a decision to the minister for culture.

The decision referred to in paragraph 3 of this Article specifies the system of measures to protect the cultural object concerned.

An appeal against the decision referred to in paragraph 3 of this Article does not stay the enforcement of the decision.

4) Cultural Objects Register of the Republic of Croatia Article 14

Cultural objects are entered in the Register.

The register is a public record maintained by the Ministry of Culture.

The Register has three lists: the List of protected cultural objects, the List of cultural objects of national importance and the List of objects subject to preventive protection.

It is the minister for culture who prescribes the form, content and the mode of maintaining the Register.

If a cultural object loses the qualities because of which it is protected, the Ministry of Culture shall issue a decision terminating the capacity of a cultural object, pursuant to which the cultural object concerned shall be deleted from the Register.

The Ministry of Culture issues the decision referred to in paragraph 1 of this Article subject to a prior opinion by the Croatian Council for Cultural Objects.

The decision ordering termination of the capacity of an immovable cultural object must be forwarded to the competent cadastre and court for the purpose of deleting the recordation in the land register.

Decisions terminating the capacity of a cultural object relating to an underwater archaeological site also must be forwarded to the competent harbour master's office.

Article 16

Entries in the Register, changes and deletions from the Register are published in the Official Gazette.

With respect to immovable cultural objects, information about the owner is not published at the publication referred to in paragraph 1 of this Article, and with respect to movable cultural objects, information as to the location of the cultural object is published whenever possible.

5) Protecting Objects of Local Importance Article 17

With respect to objects which are not established to be subject to protection as a cultural object under the provisions of this Act, the representative body of a county, the City of Zagreb, the town or municipality may pronounce it protected if it is located within their area of responsibility.

The authority referred to in paragraph 1 of this Article shall determine the object which is to be protected in a decision, and it shall determine the mode of its protection subject to a prior approval of the competent authority, and ensure the conditions and means necessary to implement the decision.

The issuing authority is bound to forward the decision referred to in paragraph 1 of this Article to the Ministry of Culture.

IV OBLIGATIONS AND RIGHTS OF THE OWNER OF A CULTURAL OBJECT 1) Ownership of a Cultural Object Article 18

It is necessary to determine the owner of immovable and movable cultural objects.

If a cultural object does not have an owner or if he cannot be established or is unknown or if a cultural object is left without an owner, it is the Republic of Croatia who becomes the owner.

Objects presumed to have the capacity of a cultural object and which are located or found under ground, in the sea or water are the property of the Republic of Croatia.

Any person who deems to have the right of ownership of the object referred to in paragraph 1 of this Article may file a claim with the competent court for the purpose of establishing the right of ownership.

Objects that are found are governed according to the regulations on the finding of treasure.

2) Obligations of the Owner of a Cultural Object Article 20

The owner of a cultural object is bound to:

- apply due care in handling the cultural object, and especially to safeguard it and maintain it on a regular basis;
- implement protective measures laid down in this Act and other regulations,
- immediately, and at the latest on the following day, notify the competent authority of any changes to the cultural object, any damages or destruction, and of the disappearance or theft of the cultural object;
- permit expert and scientific research, technical and other recording, as well as the implementation of measures of technical protection,
- enable accessibility of the cultural object to the public,
- preserve the integrity of a protected collection of movable cultural objects,
- perform all other obligations laid down in this Act and other regulations.

Article 21

If the owner fails to apply a prescribed protective measure with respect to the cultural object in a timely fashion, the competent authority shall caution him and set a time-limit within which he is bound to apply the measure, with a warning that to the contrary he is to bear the cost of applying the measure. If the owner of the cultural object fails to apply the measure even after the warning or if he fails to apply it within the prescribed time-limit, the measure shall be applied by the competent authority and the owner shall bear the cost.

In a decision, the competent authority establishes the obligation of the owner to reimburse the cost and the amount of costs incurred as the result of applying the measure concerned.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

The owner of a cultural object bears the cost related to the preservation and maintenance of the cultural object, and of the implementation of measures of technical protection.

If the maintenance of a cultural object or works on its repair, conservation or implementation of measures of technical protection require extraordinary costs which exceed the regular cost of maintenance and the income or other benefits which arise from the cultural object in favour of the owner, the owner is entitled to submit a request for compensation of the extraordinary costs.

The extraordinary costs referred to in paragraph 2 of this Article are determined by the Ministry of Culture, and the means are allocated within the state budget.

Article 23

The provisions of Articles 20, 21 and 22 of this Act also relate to the holder of a right to the cultural object, and to any possessor of a cultural object.

3) Rights of the Owner of a Cultural Object Article 24

Rights of the owner of a cultural object, next to those laid down in a particular act, and subject to the restrictions provided in this Act, are as follows:

- the right to compensation because of restrictions to the right of ownership of the cultural object under the conditions provided for in this Act,
- the right to tax and customs benefits under a particular act,
- the right to expert assistance by the competent authority with the aim of appropriate protection and preservation of the cultural object in the manner provided for in this Act.

Article 25

The owner of a cultural object has the right to compensation because of restrictions imposed on his right of ownership under the provisions of this Act and to exemptions and benefits laid down in a particular law if he acts in accordance with the provisions of this Act and applies protective measures ordered by the Ministry of Culture or the competent authority.

The owner of a cultural object acquires the right referred to in paragraph 1 of this Article pursuant to a certificate on the fulfilment of conditions and on the implementation of measures ordered pursuant to this Act, which the competent authority issues upon his request.

Article 26

The competent authority gives free expert advice regarding the implementation of measures aimed at protecting and preserving the cultural object to the owner, the holder of a right to the cultural object and any possessor of a cultural object upon their request.

The competent authority is bound to give the expert advice referred to in paragraph 1 of this Article in urgent cases, that is, when there is direct danger of damages to the cultural object immediately or at the latest within 3 days of the date of submitting a written request.

4) Restrictions to the Right of Ownership on a Cultural Object Article 27

The right of ownership of a cultural object may be restricted under a particular act in order to protect and preserve the cultural object concerned in cases laid down in this Act.

The right of ownership of a cultural object may be restricted with respect to possession, use and traffic in the cultural object concerned.

The cultural object may be the subject matter of expropriation and the establishment of a lien.

Article 28

Possession of a cultural object may be restricted for the following purposes:

- documentation and research,
- implementation of protection and preservation measures,
- enabling of accessibility of the cultural object to the public.

Use of a cultural object may be restricted in order to prevent changes to its purpose which would cause direct danger to the cultural object.

Restrictions to traffic in cultural objects are as follows:

- special obligations of the seller of a cultural object, the agent and the purchaser,
- the right of first refusal,
- the obligation to repay budgetary funds invested in the protection and preservation of the cultural object before its sale,
- restrictions imposed on the import and taking of the cultural object out of the country.

Article 29

The provisions of Articles 27 through 36 of this Act shall apply accordingly to the holder of a right to the cultural object, and any possessor of the cultural object.

a)Restricting Possession of Cultural Objects Article 30

The owner of a cultural object must enable research and documentation regarding the cultural object, as well as the implementation of measures of protection and preservation of the cultural object to any person having the approval issued by the competent authority.

The owner does not have the right to compensation for the restrictions referred to in paragraph 1 of this Article, except where he can prove that he suffered damages as the result of their implementation.

Article 31

If the competent authority establishes that the owner is not complying with the provisions of this Act or is not acting with due care, and that there is danger of damages or destruction to the cultural object, the town or municipal authorities in whose area of responsibility the cultural object is located are bound to appoint an interim custodian of the cultural object upon the proposal of the competent authority.

The competent authority may also propose the appointment of an interim custodian in the case of probate or other proceedings involving the cultural object.

A decision on the appointment of an interim custodian must specify his rights and obligations.

The interim custodian is bound to take measures of protection and preservation of the cultural object ordered by the competent authority in the name of the owner who also bears the cost of their implementation.

It is the authorities referred to in paragraph 1 of this Article who determine remuneration of the interim custodian, and the cost of implementing measures of protection of the cultural object, which must be paid by the owner.

Statutory liens serve as security for the payment of the cost of custody in accordance with the provisions of this Act.

Upon the proposal of the competent authority, the authorities referred to in paragraph 1 of this Article shall issue a decision terminating custody as soon as the reasons because of which it was ordered cease.

If the owner fails to pay the costs referred to in paragraph 5 of this Article within the timelimit stated in the decision, the authorities may extend the time-limit by at most three months, and if the owner fails to pay the cost within the extended time-limit, the authorities may initiate an execution proceeding.

Article 32

If the owner abandons a cultural object temporarily, so that there is direct danger of damages or destruction, the authorities referred to in Article 31 of this Act, in whose area of responsibility the cultural object is located, are bound to comply with Article 31 of this Act without any delay.

The owner shall be deemed to have abandoned the cultural object temporarily if his present residence is unknown, and he does not have an authorised representative, and the competent authority is consequently not able to notify him of his obligations within a period of six months of the date of the first attempted service of the communication concerned.

If the owner abandons a cultural object permanently, it becomes the property of the Republic of Croatia.

The owner shall be deemed to have abandoned the cultural object permanently if his present residence is unknown, and he does not have an authorised representative, and if he fails to perform his obligations over a period of ten years of the date of issuing the decision on custody.

Article 33

The owner of a cultural object is bound to surrender the possession of a movable cultural object on a temporary basis for the purpose of its exhibition or enable visits to an immovable cultural object for the purpose of sight-seeing.

Upon the proposal of the organiser of an exhibition or sight-seeing, the competent authority may order the owner in a decision to surrender the possession of the cultural object on a temporary basis.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

The owner and the organiser of an exhibition or sight-seeing shall conclude a contract which shall stipulate, next to other contractual obligations, the handling of the cultural object concerned and the issuance of a guarantee in the case of damages, destruction, theft or disappearance of the cultural object, as well as the obligation to contract an insurance policy for the cultural object.

The owner of a cultural object may ask that the competent authority make an estimate of the value of the cultural object.

All costs related to the exhibition or sight-seeing of the cultural object must be paid by the organiser, unless stipulated otherwise in the contract concluded between the owner of the cultural object and the organiser.

b) Restricting Use of Cultural Objects Article 34

The purpose and the way of using an immovable cultural object are laid down by the competent authority in a decision, subject to a prior opinion issued by the town or municipal authorities or the authorities of the City of Zagreb.

The competent authority may also lay down the purpose and the way of using a movable cultural object whenever deemed necessary.

Article 35

The owner is bound to obtain an approval by the competent authority for any changes to the purpose of the cultural object.

Should the owner use a cultural object contrary to its purpose, the result of which are damages to the cultural object, the competent authority may order the owner in a decision to remedy the damages by restoring previous condition, if possible.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

c) Restricting Traffic in Cultural Objects Article 36

The seller of a cultural object, as well as the agent for the sale of the cultural object, is bound by the following with respect to the purchaser:

- let him know that the subject matter of the purchase is a cultural object protected under the provisions of this Act,
- present proof of ownership of the cultural object,
- present documents on the waiver of the right of first refusal under this Act.

The purchaser of a cultural object is bound to notify the competent authority in the area in which the purchased cultural objects is to be located.

Article 37

Any owner planning to sell a cultural object is bound to offer it first simultaneously to the Republic of Croatia, the county, the City of Zagreb, the town or municipality in whose area the cultural object is located, by stating the price and other conditions of sale.

Priority in the realisation of the right of first refusal lies with the town or municipality in relation to the county and the City of Zagreb, and then the Republic of Croatia.

The Republic of Croatia, the county, the City of Zagreb, the town or municipality must declare themselves with respect to the offer within 60 days of the date of receiving the written offer.

If any of the legal entities referred to in paragraph 3 of this Article does not intend to exercise its right of first refusal, it is bound to notify the other legal entities that have the right of first refusal, as well as the owner within 30 days of the date of receiving the offer.

Following the expiration of the time-limit referred to in paragraph 3 of this Article, the owner may sell the cultural object to another person at a price which may not be lower than the price stated in the offer and under the conditions which are not more favourable for the purchaser than those contained in the offer referred to in paragraph 1 of this Article.

Article 38

Legal entities referred to in Article 37, paragraph 1 of this Act have the right of first refusal even in the case of an execution sale of the cultural object according to the conditions of the

offer in the procedure of execution which is more favourable for the owner of the cultural object.

The person conducting the procedure of execution sale of the cultural object is bound to notify the legal entities referred to in Article 37, paragraph 1 of this Article that involuntary sale was ordered, and forward written conditions of the offer which were laid down for the sale of the cultural object concerned.

Article 39

If the owner should sell a cultural object contrary to the provisions of this Act, the legal entity referred to in Article 37, paragraph 1 of this Article may file a suit with the court for the purpose of nullification of the purchase contract. The suit may be filed even if the contract was not concluded in written form.

The suit referred to in paragraph 1 of this Article may be submitted within 90 days of the date on which it is learnt that the purchase contract was concluded, but at the latest within 5 years of the date of concluding the contract.

The legal entity referred to in Article 37, paragraph 1 of this Act has the right to nullification of the contract only if its representative states in court that the cultural object is to be purchased at the price and under the conditions under which it was sold.

Article 40

In the case of sale of a cultural object in whose protection, preservation and restoration state budget funds were invested, before the sale the owner is bound to refund the amount of such invested funds by payment in favour of the state budget.

d) Expropriating Cultural Objects Article 41

It is deemed that there is an interest of the Republic of Croatia to expropriate a cultural object:

- if there is danger of damages or destruction of the cultural object, and the owner of the cultural object does not have the ability or interest to ensure the implementation of all measures of protection and preservation that were ordered,
- if the execution of archaeological research and excavation or the implementation of measures of technical protection of the cultural object cannot be ensured in some other way,
- if it is not possible to ensure accessibility of the cultural object to the public in some other way.

Without prejudice to the provisions of paragraph 1 of this Article, the Government of the Republic of Croatia may issue a decision on determining an interest of the Republic of Croatia to expropriate a cultural object in cases which are not provided for in paragraph 1 of this Article.

Expropriation may be either complete or incomplete. For the purposes of expropriating a cultural object, preliminary actions and temporary taking of possession may be carried out in accordance with the regulations governing expropriation. The expropriation procedure is initiated upon the request of the competent authority. Expropriation of a cultural object is implemented according to the procedure laid down in the Expropriation Act.

e) Liens on Cultural Objects Article 42

Statutory liens in favour of the investor serve as security for the payment of funds invested in the protection and preservation of an immovable cultural object out of the state, county, town or municipal budget.

If the funds out of the state, county, town or municipal budget are invested in the protection and preservation of a movable cultural object, it is to be surrendered to a public institution whose activity is restoration or some other authorised person who shall carry out the measures of protection and preservation, and a statutory lien is to be established on the same object in favour of the investor.

5) Covering the Cost of Remedying Damages to Cultural Objects Article 43

The owner, the holder of a right to a cultural object and any possessor of a cultural object is bound to provide compensation for any damages to the cultural object caused by actions contrary to the provisions of this Act.

The competent authority shall bind the person referred to in paragraph 1 of this Article in a decision to remedy the damages within a specific time-limit by restoration to previous condition, if possible.

If the person referred to in paragraph 1 of this Article fails to remedy the damages within the time-limit ordered by the competent authority in the decision, the decision shall be enforced involuntarily.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

If it is not possible to remedy damages to a cultural object by restoration to previous condition, the competent authority shall initiate a court proceeding for compensation of damages.

Security for the collection of damages to a cultural object is governed by the provisions of Article 42 of this Act.

V MEASURES OF PROTECTION AND PRESERVATION OF CULTURAL OBJECTS 1) Research of Cultural Objects Article 44

Research of cultural objects is conducted with the aim of creating conditions for the protection and preservation of cultural objects.

The competent authority shall suspend any action on a cultural object and in the immediate vicinity of an immovable cultural object if the action would prevent further research of the cultural object, and consequently the setting-up of a system of measures for its protection.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

The research of cultural objects referred to in paragraph 1 of this Article may be conducted by legal entities and natural persons if they meet the relevant conditions and have an approval by the competent authority.

The relevant conditions referred to in paragraph 4 of this Article are prescribed by the minister for culture.

Article 45

If in the course of executing construction or any other works performed on the surface or below the surface, inland, in the water or at sea, an archaeological find or finds are discovered, the person executing the works is bound to stop the works and notify the competent authority of the find without any delay.

On receipt of the notification referred to in paragraph 1 of this Article, and at most within three days of receiving the notification, the competent authority shall order measures for securing and protecting the site and the find, and it may pass a decision on temporary suspension of further works.

An appeal against the decision referred to in paragraph 2 of this Article does not stay the enforcement of the decision.

For the duration of the suspension of works pursuant to the decision referred to in paragraph 2 of this Article, the investor may file a request with the competent authority to approve the continuation of works. The competent authority shall decide on the investor's request within 30 days of the date of submission of the request.

Article 46

When deciding on the investor's request referred to in Article 45, paragraph 4, the competent authority may:

- reject the request and suspend the works on the site on a permanent basis,
- permit the works to continue, while ordering measures for protecting the archaeological site,
- permit the works to continue, while establishing conservation conditions, that is, change the previous decision.

In the cases referred to in Article 45, paragraph 1 of this Act, the cost of archaeological excavation and research, and the cost of preventive conservation of movable archaeological finds, as well as the cost of conservation of the site are borne by the investor.

Archaeological excavation and research may be executed only pursuant to a permission given by the competent authority in a decision.

The permission referred to in paragraph 1 of this Article may be issued only to legal entities and natural persons who meet the professional conditions to perform such works, and if the required material and technical funds for performing the works, conserving the find, organising and presenting the site and the find, have been procured.

The decision referred to in paragraph 1 of this Article must specify the area where works may be conducted, as well as the scope and type of the works, the conditions under which they may be performed, and the time-limit for performing the works, the place for deposition of movable archaeological material and the time-limit within which the competent authority must receive a report on the works performed.

The Ministry of Culture, upon the proposal of the Croatian Council for Cultural Objects and the Croatian Museum Council, decides on the place for deposition of archaeological finds.

Article 48

If archaeological excavation and research is performed without permission or contrary to the conditions in the permit, the competent authority shall issue a decision on temporary suspension of works on the site until the irregularities observed are rectified, and the competent authority shall file a motion for the initiation of a criminal proceeding against the contractor.

An appeal against the decision referred to in paragraph 1 of this Article does not stay the enforcement of the decision.

Article 49

The provisions of this Act which regulate archaeological excavation and research also apply to underwater archaeological research.

The minister for culture prescribed conditions and the modality for performing archaeological research and other activities in the areas where cultural objects are located.

Article 50

Before issuing a permit to extract sunken objects, the port authority shall obtain an opinion of the competent authority that the sunken objects are not or are not presumed to have the capacity of a cultural object.

2) Documenting and Monitoring the Condition of Cultural Objects Article 51

The competent authority makes documentation for all cultural objects for the purpose of their protection and preservation.

The minister for culture prescribes the required level of documenting and documentation standards for specific types of cultural objects, as well as the conditions, modality and procedure for their safeguarding and use.

Article 52

Documentation regarding a particular cultural object may be given for use for official purposes, for scientific research and for publication purposes, for the purposes of teaching and reports, and for other justified purposes.

As a rule, only file tapes are given for use, and the requesting party bears the cost of their making.

Without prejudice to paragraph 2 of this Article, the original documents may be borrowed for a specific period of time to the state bodies or if required for scientific purposes, provided that they are well guarded, and that a backup tape is made at the cost of the requesting party, and subject to other conditions laid down in the act referred to in Article 51, paragraph 2 of this Article.

The approval to use the documentation on cultural objects is issued by the competent authority, and the approval to borrow the original documentation by the minister for culture.

Article 53

The competent authority conducts continuing monitoring of the condition of cultural objects.

The competent authority determines the condition of cultural objects at least once in five years.

The minister for culture prescribes the forms of reports on the condition of cultural objects and the procedure for determining the condition of cultural objects.

3) Marking Cultural Objects Article 54

The competent authority is bound to mark all immovable cultural objects, as well as objects which are part of collections of cultural objects (museums, archives, galleries and other) with special markings which are prescribed by the minister for culture.

4) Determining a System of Measures to Protect a Cultural Object Article 55

The competent authority establishes the system of measures to protect cultural objects in accordance with this Act and particular regulations passed by the minister for culture.

a) Determining a System of Measures to Protect an Immovable Cultural Object Article 56

Documents on spatial planning, depending on the type and area covered by the plan, must include information pertaining to the conservation base and a system of measures to protect immovable cultural objects located in the area covered by the plan.

The conservation base is determined by the competent authority, and it must include general and particular conditions for the protection and preservation of cultural objects in the area covered by the plan. If the competent authority has not determined the conservation base, upon the request of the body which adopted the spatial planning document it is bound to determine a system of measures to protect immovable cultural objects located in the area covered by the plan.

The spatial planning document may be adopted only on prior consent of the competent authority confirming that it is in line with the conservation base or the established system of measures of protection referred to in paragraph 2 of this Article. The competent authority is bound to provide a written statement within a term of 15 days of the date of requesting the consent, and if it fails to do so it shall be deemed that the consent has been issued.

Article 57

Urban zoning plans are adopted for the purpose of protecting and preserving a cultural-historical whole, in accordance with the regulations on spatial planning and this Act.

Article 58

If in the performance of activities referred to in Articles 56 and 57 of this Act a dispute arises between the competent authority and the bodies in charge of developing and adopting spatial planning documents, it is the Government of the Republic of Croatia who makes the decision on the dispute.

b) Determining a System of Measures to Protect a Movable Cultural Object Article 59

The competent authority establishes the system of measures to protect cultural objects, which includes general and particular conditions for preservation, maintenance and purpose of movable cultural objects.

5) Determining Particular Conditions to Protect Cultural Objects in the Process of Issuing
Location Permits
Article 60

If it is necessary to take actions on an immovable cultural object, and within the area of the spatial boundaries of a cultural object, for which a mandatory location permit is required under a special regulation, in the process of obtaining a location permit it is necessary to receive particular conditions for the protection of the cultural object.

The particular conditions for the protection of a cultural object referred to in paragraph 1 of this Article are not an administrative act, and they are issued by the competent authority upon the request of the administrative body in charge of issuing the location permit.

Article 61

The particular conditions for taking actions in a protected cultural-historical whole are established by the administration body in charge of issuing location permits in accordance with the system of measures of protection determined in the urban zoning plan referred to in Article 57 of this Act.

6) Preliminary Approval of Works on Cultural Objects Article 62

Any actions which might result in changes of a cultural object, as well as in the immediate vicinity of such cultural object, that is, which might undermine the integrity of the cultural object, may be taken only on preliminary approval by the competent authority.

The actions referred to in paragraph 1 of this Article means actions such as conservation, restoration, relocation of a cultural object and other similar works, the operation of industrial and other facilities and sites, as well as the reconstruction, repair and adaptation of a cultural object within the meaning of this Act and construction in the area where the cultural object is located.

The preliminary approval of the competent authority is also necessary for construction works in the area of a protected cultural-historical whole.

The minister for culture prescribes which documentation the applicant must enclose to the application for preliminary approval.

The competent authority decides on the application for preliminary approval in a decision.

An appeal against the decision referred to in paragraph 5 of this Article does not stay the enforcement of the decision.

Article 63

A building permit may be issued only if there is a final decision referred to in Article 62 of this Act.

In cases where the Building Act provides that a building permit is not necessary, construction may not commence without the final decision referred to in Article 62 of this Act.

Article 64

Without prejudice to the provisions of Article 62 of this Act, the competent authority may issue an approval for the removal of an immovable cultural object or a part thereof if it is established that it is dilapidated or that there are major damages which pose a direct threat to the stability of the structure or a part thereof, and that it poses a threat to other neighbouring structures and human life, and the danger may not be eliminated in any other way.

The competent authority may issue the approval referred to in paragraph 1 of this Article only on prior opinion issued by the Croatian Council for Cultural Objects.

7) Preliminary Approval to Perform Activities in an Immovable Cultural Object Article 65

Legal entities and natural persons may not commence with the performance of an economic activity within a space that is within an immovable cultural object or a protected cultural-historical whole without a preliminary approval issued by the competent authority.

The approval referred to in paragraph 1 of this Article is also required for any changes to the purpose of the business space, that is, change of activity.

8) Approval to Make Replicas of a Cultural Object Article 66

Replicas of a cultural object means any imitation of a cultural object or its recognisable part, regardless of the scale of making it in comparison to the original.

The approval for making a replica referred to in paragraph 1 of this Article is granted in the form of a decision by the competent authority upon the request of the person who is to make the replica.

In the decision referred to in paragraph 2 of this Article the competent authority shall determine conditions for making the replica, as well as conditions for placing the replica on the market.

9) Taking Cultural Objects out of the Country Article 67

Cultural objects, as well as all objects subject to preventive protection may not be taken abroad.

Article 68

Without prejudice to the provision of Article 67 of this Act, a cultural object may be taken out of the country on a temporary basis for purposes such as exhibitions, expertise, works on the protection and preservation of the cultural object or other justified reasons, subject to an approval by the competent authority.

The person having filed an application for taking a cultural object out of the country on a temporary basis is bound to provide a guarantee for damages, destruction or illicit alienation of the cultural object by posting a deposit in the bank, contracting insurance for the full value of the cultural object or by any other adequate guarantee.

The competent authority decides on the application for granting approval for taking a cultural object out of the country in a decision.

Whenever the application relates to an object which is not subject to protection under the provisions of this Act, the competent authority shall issue a certificate for the purposes of taking it out of the country.

It is the minister for culture who lays down conditions for temporary taking out of the country.

Article 69

The competent authority keeps a record of all applications and approvals issued for taking cultural objects out of the country.

The competent authority is bound to check whether a cultural object was returned to the country within the time-limit set in the decision referred to in Article 68, paragraph 1 of this Act.

10) Importing and Bringing Cultural Objects into the Country Article 70

Cultural objects may be imported or brought into the Republic of Croatia subject to an approval of the country from which they are imported or brought.

The importer of a cultural object or the person bringing a cultural object into the country is bound to notify the competent authority of the cultural object without any delay.

11) Protecting Cultural Objects in Danger Article 71

Cultural objects in danger means immovable cultural objects listed in the World Heritage List or the List of World Heritage in Danger, as well as cultural objects listed in the Register, whose position as a cultural object in danger was established in a decision issued by the minister for culture, upon the proposal of the Croatian Council for Cultural Objects.

Article 72

The minister for culture may appoint a committee whose task is to monitor and plan the implementation of measures of protection and preservation of cultural objects in danger.

The tasks and the way of work of the committee are regulated in the act on its appointment.

12) Emergency Measures for the Protection and Preservation of Cultural Objects
Article 73

If the contractor takes an action on a cultural object or in its immediate vicinity, for which a preliminary approval is required, or if he takes it contrary to the approval, the competent authority shall temporarily suspend the action through a decision.

In a decision, the competent authority may order the contractor to restore the cultural object to its previous condition under the threat that he bear the cost of enforcement of the decision.

An appeal against the decision does not stay the enforcement of the decision.

If the contractor does not suspend an action he started on a cultural object, the competent authority shall notify the competent police administration for the purpose of preventing further damages to the cultural object, as well as the competent building inspection.

Article 74

If the owner of a cultural object or any other person while acting contrary to the provisions of this Act causes damages to the cultural object or endangers it directly, the competent authority shall request the competent administration bodies without any delay to take measures within their scope of work.

The competent body of state administration is bound to act urgently further to the request referred to in paragraph 1 of this Article and take measures within its scope of work in order to prevent any damages or destruction to the cultural object.

13) Protecting Cultural Objects in Extraordinary Circumstances Article 75

At the time of peace, institutions that perform the activities of protection and preservation of cultural objects and the owners of cultural objects are bound to ensure the following in cooperation with the competent authority:

- conditions conducive to the protection and safeguarding of cultural objects in the event of extraordinary circumstances (armed conflicts, earthquakes, floods, fires, environmental incidents and catastrophes or other extraordinary circumstances),
- measures to prevent thefts, robberies, illicit appropriation of cultural objects, regardless of the manner of such appropriation, as well as all actions taken in order to destroy or cause damages to cultural objects.

Article 76

In order to protect cultural objects, the minister for culture may order special measures of protection in the case of appearance or pronouncement of extraordinary circumstances.

The authorities of counties, the City of Zagreb, municipalities or towns in whose area the cultural object concerned is located are bound to provide funds needed to implement the measures referred to in paragraph 1 of this Article.

VI WORK ON PROTECTION AND PRESERVATION OF CULTURAL OBJECTS 1) Work on Protection and Preservation of Cultural Objects Article 77

The Ministry of Culture performs administrative and expert work on the protection and preservation of cultural objects provided for in this Act, and inspections in the area of protection and preservation of cultural objects.

Museums and galleries, restoration institutions, archives and libraries perform the work of protection and preservation of cultural objects as part of their activity in accordance with law.

Some of the work on the preservation of cultural objects may be performed by specialised legal entities and natural persons in accordance with this Act.

Article 78

The competent authority performs administrative and expert work on the protection and preservation of cultural objects in the manner provided for in this Act, which specifically includes: the research, study, registration, documentation and promotion of cultural objects, the supervision of traffic in, and particularly the import of, bringing in and taking cultural objects out of the country, the establishment of conditions for the use and purpose of cultural objects, the adoption, implementation and supervision of measures of protection and preservation of cultural objects, and the performance of other work provided for in this Act.

The competent authority is the first-instance body in administrative proceedings relating to the protection of cultural objects.

Any appeals against decisions rendered by the competent authority in the administrative proceeding are in the second instance processed by the minister for culture.

Article 79

The Ministry of Culture supervises the lawfulness of work and the expert work of the restoration institutions referred to in Article 77, paragraph 2 of this Article.

The Ministry of Culture supervises the expert work of the persons referred to in Article 77, paragraph 3 of this Act.

2) Inspections Article 80

Inspections are conducted by civil servants of the Ministry of Culture who have the occupation inspector and senior inspector for the protection of cultural objects (henceforth the "inspector").

Article 81

Any person who has university qualifications, at least 10 years of service at jobs on the protection of cultural objects, and a state exam may be a senior inspector.

Any person who has university qualifications, at least 5 years of service at jobs on the protection of cultural objects, and a state exam may be an inspector.

Inspections concerning the protection of cultural objects may be performed by other employees of the Ministry of Culture, as well, based on a special authorisation issued by the minister for culture.

Inspectors have a special identity card used to prove their official capacity, identity and powers.

Inspectors keep records of their inspections.

The form and manner of issuing the identity card, and the form and manner of keeping the register are prescribed by the minister for culture.

Article 83

In the performance of supervision, the inspector has the right and duty to examine the cultural object, the premises on which the cultural object is located, the documentation and equipment, and if necessary interview people in the administrative procedure.

The person subject to supervision is bound to procure conditions conducive to the implementation of supervision, enable the inspector to examine the cultural object, provide access to the documentation requested by the inspector and provide all information and notifications necessary.

Article 84

The inspector establishes whether persons subject to supervision are in compliance with law and other regulations governing protection and preservation of cultural objects, and whether persons subject to supervision have the approval, permission or any other prescribed act permitting them to perform activities related to cultural objects by examining general and individual acts, as well as the conditions and manner of work of persons subject to supervision, especially in the case of:

- restoration institutes, museums, galleries, archives and libraries in the part relating to the protection of cultural objects, and other institutions performing the activities of protection and preservation of cultural objects,
- specialised legal entities and natural persons performing the activities of protection, preservation, renovation and traffic in cultural objects.

Article 85

The inspector supervises the condition of cultural objects and the implementation of measures for their protection and preservation, the use and traffic in cultural objects, the performance and implementation of the provisions of this Act, and in particular:

- the performance of conservation, restoration and other similar works on cultural objects and in their immediate vicinity, and compliance with the issued conditions and approvals,
- archaeological excavation and research, including those under water, as well as any underwater activities and the taking of sunken cultural objects out of the water subject to the prescribed conditions and approvals,

- traffic in cultural objects, the application of the right of first refusal, and the taking out, import and bringing in of cultural objects,
- the application of other regulations and measures laid down in this Act.

If the inspector establishes that this Act or any regulation adopted pursuant to this Act has been violated, he shall put the deficiencies and irregularities in writing and in a decision order measures and time-limits for rectifying them.

In the performance of activities, the inspector has the right and duty:

- 1. to order:
- rectification of deficiencies or irregularities that have been established,
- rectification of consequences caused by an illicit action or omission,
- suspension of unapproved works, actions or activities on a cultural object,
- rectification of damages,
- temporary seizure of a movable cultural object for the purpose of its protection,
- the taking of other measures of protection and preservation of cultural objects in accordance with law and other regulations;
- 2. to prohibit:
- the implementation of an illicit action,
- the performance of works, actions or activities on a cultural object without meeting the requisite special conditions relating to protection or without an approval, or contrary to them,
- archaeological excavation and research performed by a legal entity or natural person who is not authorised or expert enough to perform them,
- unapproved underwater activities and research,
- unapproved traffic in cultural objects and traffic without the application of the right of first refusal,
- any taking out, and import and bringing in of cultural objects contrary to the provisions of law.
- unauthorised performance of restoration or conservation activities,
- performance of restoration or conservation works on cultural objects contrary to law and regulations adopted pursuant to law.

The inspector is authorised to also prohibit other illicit actions according to the provisions of law and regulations adopted pursuant to law.

Article 87

If the inspector establishes that a person subject to supervision took possession of a cultural object through an illicit action, he may seize the cultural object or item used to commit the criminal act or misdemeanour until the adoption of a ruling on the misdemeanour, that is, until a judgement on the criminal act is rendered.

Temporary seizure is ordered in the form of a decision, which is rendered simultaneously with the initiation of a misdemeanours or criminal proceeding.

The competent court shall decide on the keeping of the decision on temporary seizure in force in the procedure initiated pursuant to paragraph 2 of this Article.

Article 88

The inspector is authorised to charge and collect a fine at the site of the misdemeanour in cases laid down in Articles 115, 116 and 117 of this Act, and issue a corresponding certificate.

Article 89

If the inspector establishes that the provisions of an act or some other regulation the application of which is subject to supervision by another inspection or by another body of administration, he shall notify the competent inspection or the competent administrative body thereof without any delay.

Article 90

Any person subject to supervision is bound to notify the inspector within 8 days of the date of expiration of the time-limit for performing the obligation that the actions ordered in the decision have been satisfied.

Where the person subject to supervision fails to comply with the inspector's order, the prescribed actions shall be performed by the competent body and the person subject to supervision shall bear the cost.

Article 91

An appeal against the inspector's decision may be filed to the minister for culture.

An appeal does not stay the enforcement of the decision.

Article 92

Without prejudice to the provision of Article 86 of this Act, when it is necessary to take emergency measures to prevent the appearance of irreparable damages to a cultural object, the decision may also be passed orally in the course of supervision.

The oral decision must be entered in the minutes, and within 3 days of its adoption a certified copy of the decision in written form must be made.

Article 93

If in performing supervision and taking measures and actions that he is authorised to take the inspector becomes faced with resistance by force or a threat of force or if such resistance can be reasonably expected, the inspector may request the assistance of official persons from the competent police administration.

3) Institutions for Protection and Preservation of Cultural Objects Article 94

Institutions for the protection and preservation of cultural objects are restoration institutes or other restoration institutions, and museums, galleries, archives, libraries and other public cultural institutions performing activities in connection with the safeguarding, renovation and protection of cultural objects.

a) Restoration Institutions Article 95

The activities of restoration, conservation and renovation of cultural objects are performed by the Croatian Restoration Institute as a public institution owned by the Republic of Croatia.

For the performance of activities referred to in paragraph 1 of this Article, counties, the City of Zagreb, municipalities or towns may establish public institutions subject to the approval referred to in Article 100 of this Act.

For the performance of activities referred to in paragraph 1 of this Article, institutions may be established only subject to the approval referred to in Article 100 of this Act.

Article 96

For the purpose of administration of cultural objects and the implementation of measures of protection and preservation of cultural objects, the Republic of Croatia, counties, the City of Zagreb, towns and municipalities may establish institutions or entrust the activities concerned to some other legal entity.

Trusts and foundations may also be established for the preservation of cultural objects.

b) Museums, Archives and Other Cultural Institutions Article 97

Public cultural institutions (museums, galleries, archives, libraries and other) performing the activities of safeguarding, examination and expert maintenance of cultural objects as part of their activity are bound to send reports on the condition of cultural objects to the competent authority, as well as annual reports on the restoration and conservation of cultural objects in their collections or entrusted to their care and administration.

Cultural objects in the collections of museums, libraries, galleries, as well as in the collections of other institutions are entered in the Register according to the provisions of this Act, based on an application filed by the institution concerned.

The institutions referred to in paragraph 1 of this Article are bound to notify the Ministry of Culture in writing of any changes in the collection and in the inventory book within 7 days.

Article 99

Activities on the protection of archival materials as a cultural object under the provisions of this Act are performed by archives as part of their activity in accordance with the regulations on archival materials and archives.

Without prejudice to the provision of Article 12 of this Act, the procedure of determining the capacity of a cultural object for archival materials is carried out and the decision on determining the capacity of a cultural object is adopted by the Croatian State Archives upon the proposal of the regional state archives in the manner laid down in this Act.

The Croatian State Archives is bound to forward the decision referred to in paragraph 2 of this Article to the Ministry of Culture for the purpose of its entry in the Register.

The archives are bound to notify the Croatian State Archives and the Ministry of Culture in writing within 7 days of any changes to the protected materials.

4) Specialised Legal Entities and Natural Persons Article 100

The activities of research, examination, safeguarding, restoration, conservation, maintenance, renovation, use and traffic in cultural objects, as well as the activities referred to in Article 47 of this Act may be performed by specialised legal entities and natural persons.

The minister for culture, on prior consent by the minister for economy, prescribes conditions that the legal entity or natural person must meet in order to obtain the permission to perform the activities referred to in paragraph 1 of this Article.

The decision permitting the performance of activities referred to in paragraph 1 of this Article is adopted by the Ministry of Culture.

The Ministry of Culture keeps registers of the legal entities and natural persons referred to in paragraph 1 of this Article.

An appeal against the decision referred to in paragraph 3 of this Article does not stay the enforcement of the decision.

Article 101

Restoration-conservation activities on the protection and preservation of cultural objects may be performed by natural persons having the requisite expert profession.

The expert professions referred to in paragraph 1 of this Article, and the conditions and manner of their acquisition shall be prescribed by the minister for culture upon the proposal of the Croatian Council for Cultural Objects.

VII CROATIAN COUNCIL FOR CULTURAL OBJECTS Article 102

The Croatian Council for Cultural Objects (henceforth the "Council") is formed in order to monitor and improve the condition of cultural objects.

Article 103

The Council:

- discusses general questions from the area of protection and preservation of cultural objects and gives recommendation for improvements to the activity of protection and preservation of cultural objects,
- keeps track of programmes for the protection of cultural objects and their implementation,
- proposes the adoption of decisions on the pronouncement of cultural objects in danger to the minister for culture,
- issues opinions on the removal of immovable cultural objects,
- issues opinions in the procedure of passing the decisions referred to in Article 15 of this Act,
- discusses disputable questions in the area of protection and preservation of cultural objects and proposes solutions.

Article 104

The Council has the chairman and 8 members.

The chairman and three members of the Council are appointed by the minister for culture from amongst the ranks of prominent experts for the protection and preservation of cultural objects.

Members of the Council by position are the head of the Croatian Restoration Institute, the head of the Croatian State Archives, and the head of the National and University Library.

Members of the Council are a representative from the Croatian Museum Council and a representative from the body of state administration in charge of the protection of nature and the environment.

Article 105

The Council works at sessions, where more than one half of its members must be present.

The Council passes conclusions by a majority vote of the attending members, and decisions by a majority vote of the total number of members.

Article 106

If necessary, the Council may form expert commissions for the purpose of discussions of expert questions relating to the preservation and protection of cultural objects.

Article 107

Administrative tasks of the Council are performed by the Ministry of Culture, and funds for its operation are allocated in the state budget.

The Council adopts rules of procedure on its work.

VIII FUNDING PROTECTION AND PRESERVATION OF CULTURAL OBJECTS 1) Procuring Funds for the Protection and Preservation of Cultural Objects Article 108

Funds for the maintenance and preservation of a cultural object are ensured by the owner of the cultural object, that is, the possessor of the object if the owner does not use the object.

Exemptions and benefits which the owner or the possessor of a cultural object realises based on law are regarded as a contribution of the Republic of Croatia to the preservation of cultural objects.

Article 109

Funds for the protection and preservation of cultural objects are procured from:

- the state budget,
- the budget of counties, that is, the City of Zagreb, towns or municipalities for those objects which are subject to preventive protection and cultural objects located in the area of the municipality, that is, the City of Zagreb, town or municipality, and fully in case of cultural objects subject to protection pursuant to Article 17 of this Act,
- donations, concession fees, notes and foundations,
- other sources provided for in this Act or other regulations.

Article 110

Funds from the state budget pursuant to the national programme of protection and preservation of cultural objects, as a part of the Programme of Public Needs in Culture of the Republic of Croatia, are allocated by the Ministry of Culture for funding:

- protection and preservation of cultural objects owned by the Republic of Croatia, save for funds for everyday maintenance procured by the competent authority of the Government of the Republic of Croatia,

- implementation of the national programme of protection and preservation of cultural objects,
- extraordinary costs of maintaining cultural objects in accordance with Article 22 of this Act,
- emergency measures of protection and preservation of cultural objects in accordance with Articles 73 and 74 of this Act,
- compensation to owners for restrictions to their right of ownership in accordance with Article 25 of this Act.

In the budgets of counties, the City of Zagreb, towns or municipalities, funds are allocated for funding:

- protection and preservation of cultural objects owned by counties, the City of Zagreb, towns or municipalities,
- protection of cultural objects in extraordinary conditions in accordance with Article 76, paragraph 2 of this Act,
- participation in the funding of the national programme of protection and preservation of cultural objects located in their area of responsibility,
- protection and preservation of objects referred to in Article 17 of this Act.

2) Budgetary Income Resulting from the Use of Cultural Objects Article 112

Any person who should use a recognisable cultural object or a recognisable part thereof on a photograph, sticker, badge, souvenir, publication or any other printed material, clothing or any other item is bound to pay 10% of the sales price of the product in favour the state budget.

The amount referred to in paragraph 1 of this Article must be calculated and paid within 8 days of the date of placing the product on the market by the person who placed it on the market.

Article 113

Any legal entity or natural person who should use a recognisable cultural object or a recognisable part thereof for the purpose of its or his own promotion on film, video, poster, photograph or any other item is bound to pay HRK 1,000 before first publication for each type of promotional material.

First publication of promotional material shall mean any new publication of altered promotional material on which the cultural object is used within the meaning of paragraph 1 of this Article.

Natural persons and legal entities or their business units who perform an economic activity in immovable cultural objects or in the area of a cultural-historical whole must calculate and pay a monument annuity of 2% of income or profit generated as the result of exceptional benefits resulting from direct exploitation of the cultural object.

Natural persons and legal entities who perform an activity in the catering, hotel or passenger transport industry, and the activity of nautical tourism harbours must calculate and pay a monument annuity of 2% of income or profit generated as the result of exceptional benefits resulting from direct exploitation of the cultural object.

The persons referred to in paragraph 2 of this Article or their business units who perform the activity in an immovable cultural object or in the area of a cultural-historical whole, must calculate and pay a monument annuity prescribed in paragraphs 1 and 2 of this Article.

Legal entities whose activity is mostly funded from the budget are exempt from the application of paragraph 1 of this Article.

Of the amount of monument annuity referred to in paragraphs 1 and 2 of this Article, the person obliged to pay the annuity must pay 60% in favour of the budget of the City of Zagreb, town or municipality in whose area of responsibility the annuity was collected and 40% in favour of the state budget.

Payment and the control of payment of monument annuities are governed by the regulations on profit tax or income tax.

Budgetary income generated by collecting monument annuities is used exclusively for the protection and preservation of cultural objects.

IX MISDEMEANOURS Article 115

Any person who does any of the following shall be punished for a misdemeanour with a fine in an amount from HRK 50,000 to 500,000:

- 1. takes as his own a cultural object which is according to the provisions of this Act owned by the Republic of Croatia (Article 19, paragraph 1),
- 2. uses or treats cultural objects in a way that puts them in direct danger of damages or destruction (Article 31, paragraph 1, and Article 74, paragraph 1),
- 3. fails to pay the amount of funds invested from the state budget before the sale of a cultural object (Article 40),
- 4. does not terminate the performance of works in the event of discovery of an archaeological site or finds or fails to notify the competent authority of the find (Article 45, paragraph 1),
- 5. performs archaeological and underwater archaeological excavation and research contrary to the provisions of this Act (Article 47),

- 6. performs or organises underwater activities on protected cultural objects or takes sunken cultural objects out of the water without an approval by the competent authority (Article 49, paragraph 1, and Article 50),
- 7. performs works or actions on cultural objects contrary to the provisions of this Act (Article 62),
- 8. starts to perform an activity on business premises which are located within an immovable cultural object or a protected cultural-historical whole without an approval or contrary to an approval by the competent authority (Article 65),
- 9. takes out or exports a cultural object out of the country without an approval or contrary to an approval by the competent authority (Articles 67 and 68).

If the misdemeanour referred to in paragraph 1 of this Article is committed by a legal entity, the responsible person in the legal entity shall also be fined for the misdemeanour with a fine in an amount from HRK 5,000 to 20,000.

Article 116

Any person who does any of the following shall be punished for a misdemeanour with a fine in an amount from HRK 20,000 to 200,000:

- 1. fails to report an object presumed to have the capacity of a cultural object (Article 4, paragraph 3),
- 2. fails to safeguard or maintain a cultural object or fails to perform the ordered measures of protection and preservation of the cultural object within the set time-limit (Article 20, paragraph 1),
- 3. uses a cultural object contrary to its purpose or changes the purpose of a cultural object without a prior approval by the competent authority (Articles 34 and 35),
- 4. fails to offer the right of first refusal in accordance with this Act (Article 37),
- 5. makes the replica of a cultural object without an approval or by not respecting conditions laid down in the approval of the competent authority (Article 66, paragraphs 2 and 3),
- 6. fails to implement measures of protection of a cultural object ordered by the competent authority in the event of extraordinary circumstances (Article 75),
- 7. fails to ensure conditions for the implementation of supervision or fails to provide any data and notifications that are necessary (Article 83, paragraph 2),
- 8. fails to comply with a decision issued by the inspector for the protection of cultural objects (Article 86),
- 9. starts to perform activities on the protection, preservation or renovation of a cultural object without having an approval in accordance with this Act (Article 100),

- 10. places a cultural object on the market without having an approval by the competent authority to perform such activities (article 100),
- 11. starts to perform restoration-conservation activities on a cultural object without having the requisite expert profession in accordance with this Act (Article 101),
- 12. fails to pay the monument annuity in the events laid down in Articles 112, 113 and 114 of this Act or fails to pay it within the prescribed time-limit.

If the misdemeanour referred to in paragraph 1 of this Article is committed by a legal entity, the responsible person in the legal entity shall also be fined for the misdemeanour with a fine in an amount from HRK 4,000 to 20,000.

Article 117

Any person who does any of the following shall be punished for a misdemeanour with a fine in an amount from HRK 3,000 to 40,000:

- 1. fails to permit expert and scientific research, technical and other recordings, as well as the implementation of measures of technical protection on a cultural object (Article 20, paragraph 1, and Article 30, paragraph 1),
- 2. refuses to give a movable cultural object for the purpose of exhibition or prevents visits to an immovable cultural object (Article 33),
- 3. returns a cultural object to the country after the expiration of the time-limit set in the approval for temporary taking out of the country (Articles 68 and 69),
- 4. fails to report to the competent authority that a cultural object was brought or imported into the country (Article 70, paragraph 2),
- 5. fails to ensure conditions for the protection and preservation of cultural objects in the event of extraordinary circumstances and other actions aimed at destroying and damaging cultural objects (Article 75).

If the misdemeanour referred to in paragraph 1 of this Article is committed by a legal entity, the responsible person in the legal entity shall also be fined for the misdemeanour with a fine in an amount from HRK 1,000 to 10,000.

Article 118

Any person who does any of the following shall be punished for a misdemeanour with a fine in an amount from HRK 1,000 to 10,000:

- 1. removes or damages markings on a cultural object used to mark it in accordance with the provisions of this Act (Article 54),
- 2. fails to notify the inspector of the performance of its obligations laid down in the decision within the set time-limit (Article 90, paragraph 1).

If the misdemeanour referred to in paragraph 1 of this Article is committed by a legal entity, the responsible person in the legal entity shall also be fined for the misdemeanour with a fine in an amount from HRK 500 to 5,000.

Article 119

Fines for misdemeanours issued according to the provisions of this Act are paid in favour of the state budget, and may be used purposefully exclusively for the protection and preservation of cultural objects.

X TRANSITIONAL AND FINAL PROVISIONS Article 120

Cultural monuments placed under protection according to the regulations valid before the entry into force of this Act shall remain protected, and their owners and possessors shall have all rights and obligations towards such cultural objects as are laid down in this Act.

In the case of decisions on preventive protection adopted before the entry into force of this Act, the time-limit referred to in Article 10, paragraph 3 of this Act shall begin on the date of entry into force of this Act.

The Ministry of Culture shall examine and harmonise all decisions on registration of cultural monuments adopted according to the regulations valid before the entry into force of this Act within one year of the date of adopting the implementing legislation referred to in Article 14 of this Act, and also within the same time-limit publish the data on protected cultural objects in accordance with Article 16 of this Act.

Article 121

The implementing legislation, which is pursuant to this Act within the competence of the minister for culture, shall be enacted within six months of the date of entry into force of this Act.

Until the adoption of the implementing legislation referred to in paragraph 1 of this Article, the implementing legislation valid before the entry into force of this Act shall apply, unless contrary to the provisions of this Act, specifically:

- 1. Ordinance on the registration of monuments of culture (OG 8/68),
- 2. Instruction on the issuance of permits for exporting monuments of culture abroad (OG 6/68).
- 3. Ordinance on conditions to perform archaeological research on monuments of culture on the seabed or subterraneously in the sea of the internal waters of the Republic of Croatia (OG 94/98).

Legal entities and natural persons who performed the activities referred to in Articles 100 and 101 of this Act until the date of its entry into force shall continue to do so under the conditions and in the manner laid down in this Act.

The legal entities and natural persons referred to in paragraph 1 of this Article are bound to obtain a permission to perform activities in connection with cultural objects within six months of the date of entry into force of the regulation referred to in Article 100 of this Act.

The natural persons referred to in Article 101 of this Act are bound to gain the requisite expert occupation within six months of the date of entry into force of the regulation referred to in Article 101, paragraph 2 of this Act.

Article 123

With respect to protected cultural-historical wholes, until the urban zoning plan referred to in Article 57 of this Act is established, Article 60 of this Act shall apply at the issuance of location permits.

Article 124

Public institutions that perform the activities of protection and preservation of cultural objects are bound to bring their structure and way of work in line with the provisions of this Act within 6 months of the date of entry into force of this Act.

Article 125

The Croatian Council for Cultural Objects shall be formed within three months of the date of entry into force of this Act.

Article 126

On the date of entry into force of this Act, the Act on the Protection of Monuments of Culture (OG 32/65, 55/65, 50/66, 7/67 – consolidated text 13/67, 31/86, 47/86, 47/89, 19/91, 26/93 and 52/94), the Main Act on the Protection of Monuments of Culture (OG 52/71), Articles 31 and 32 of the Act on Activities within the Self-government Scope of Work of the Units of Local Self-government and Administration (OG 75/93) and the Order on concerted action of the Service for the Protection of Monuments of Culture (OG 7/92) shall cease to be valid.

Article 127

This Act shall enter into force on the eighth day from its publication in the Official Gazette.

Class: 612-01/98-02/01 Zagreb, 18 June 1999

HOUSE OF REPRESENTATIVES OF THE CROATIAN PARLIAMENT

President
of the House of Representatives
of the Croatian Parliament
Vlatko Pavletić, m.p.