

CROATIAN COMPETITION AGENCY:

Case No.: UP/I 430-01/13-05/001

Case: Financing of the Football Club Dinamo by the City of Zagreb and other publicly owned legal entities

Type of case: State aid

Type of decision: Decision on termination of the proceeding

Summary:

The Croatian Competition Agency adopted a decision on termination of the proceeding of recovery or ex post approval of state aid, initiated ex officio upon the initiative from nine natural persons - shareholders of the football club HNK Hajduk š.d.d., regarding the public financing of the football club GNK Dinamo by the City of Zagreb and other publicly owned legal persons, due to a non-existent legal prerequisite for further carrying out of the proceeding.

The Agency established that the City of Zagreb until 2012 awarded the financing in question to GNK Dinamo in accordance with the Annual Programmes for Public Needs in Sports in the City of Zagreb that were adopted for each particular year on the basis of Article 76 of the Sports Act in force.

The Agency was also unable to determine whether the sponsoring contracts signed between publicly owned legal persons and GNK Dinamo contained state aid due to the following: from 2010 to 2012 GNK Dinamo did not receive financing from sponsoring contracts concluded with Zagrebački holding d.d., whereas at the moment of signing of the concerned contracts Croatia osiguranje d.d. acted as market economy investor while the City of Zagreb Tourist Board and Hrvatska elektroprivreda d.d. signed sponsoring contracts not only with GNK Dinamo but also with other professional sport clubs.