

Based on the Article 8 Paragraph 4 of the Regulatory Impact Assessment Act (Official Gazette 90/2011) and the Article 31 Paragraph 2 of the Republic of Croatia Government Act (Official Gazette 150/2011); the Government of the Republic of Croatia, on its session held on 20th December 2012, passed the

DECISION

ON THE ADOPTION OF THE REGULATORY IMPACT ASSESSMENT STRATEGY FOR THE PERIOD 2013-2015 AND THE REGULATORY IMPACT ASSESSMENT ACTION PLAN FOR THE PERIOD 2013-2015

I.

By this Decision, the Regulatory Impact Assessment Strategy for the period 2013-2015 and the Regulatory Impact Assessment Action Plan for the period 2013-2015 shall be adopted.

II.

Strategy and Action plan, from the point I. of this Decision, are contained in the Annex of this Decision and they represent its integral components.

III.

This Decision comes in to power on the eight day after its publication in the Official Gazette.

Class: 011-01/12-01/03

Reg. no: 50301-09/06-12-4

Zagreb, 20th December 2012.

President

Zoran Milanović, v. r.

STRATEGY

OF THE REGULATORY IMPACT ASSESSMENT FOR THE PERIOD 2013-2015

1. INTRODUCTION AND THE PURPOSE OF THE DOCUMENT

Government of the Republic of Croatia, as a barrier of the executive power, in line with the Republic of Croatia Constitution (Official Gazette 85/2010 – consolidated text), hereinafter: Constitution; aims towards directing of all available resources and knowledge into formation of society in which, all rights and freedoms, guaranteed by the Constitution, would be achieved and towards creation of the environment which would enable better life of the citizens. To secure as good as possible basis for decision-making, improve quality of the legislation and improve public governance, Republic of Croatia Government has established Regulatory Impact Assessment System. Continuous development of the Regulatory Impact Assessment System is crucial for the reorganisation, adjustment of the decision-making process on all levels and for achievement of, as high

as possible, level of legal security. Modern public administration supports development of society and market economy by creation of quality legislation, which is flexible and suits to the needs of the society and economy. Quality legislation is postulate for the development and the Regulatory Impact Assessment is one of the tools for the creation of better policies and better quality legislation.

The Regulatory Impact Assessment Strategy for the period 2013-2015 (hereinafter: Strategy) presents strategic orientation of the Republic of Croatia Government towards increase of the legislation quality in the Republic of Croatia. Purpose of this document is twofold. The first purpose is to present the tool for the Regulatory Impact Assessment, to explain why the Regulatory Impact Assessment System is established and what for it will be used. The second purpose is to set strategic direction of development of this system in the three year period by setting strategic goals and their realization by activities listed in the Regulatory Impact Assessment Action plan for the period 2013-2015 (hereinafter: Action Plan). This strategic document is the basis for the long-term directing of the Regulatory Impact Assessment development and the guarantee for the implementation, achievement of the goals and improvement of legislation quality.

This Regulatory Impact Assessment Document arises from consultation and advisory processes on the national and international level during 2011 and 2012. In the process of Strategy drafting have participated: The Legislation Office, Ministry competent for the Economy, Ministry competent for the Entrepreneurship and Crafts, Ministry competent for the Social Policy, Ministry competent for the environmental protection, Ministry competent for the Construction and spatial planning, Ministry competent for the Finances, Croatian Employers' Association, Croatian Chamber of Crafts, Croatian Law Centre, syndicates, civil society associations and international experts within SIGMA (Support for Improvement in Governance and Management) projects. United Kingdom and Republic of Estonia administrative state officers gave their contribution as a part of IPA 2007 Project – Development of the Regulatory Impact Assessment System.

2. REGULATORY IMPACT ASSESSMENT IN THE CONTEXT OF THE SMART LEGISLATION

In the modern society and economy, there is a constant need for a new legislation. Creation of the new legislation requests different point of view on the regulation drafting and writing procedure. Modern “smart” legislation is based on the principle that the new legislation must not create additional obstacles to the society and economy development. The new legislation must be reflection of the quality, responsible and transparent public policy; which supports society development, economic growth and creation of new values without unnecessary obstacles for doing business. Public policy, in general, is expression for the connected public activities, which are directed towards execution of the concrete problems or improvement of the situation in some area. The answer to the unnecessary legislation obstacles and achievement of the planned goals of the public policy, in terms of the 21st century, is a great challenge for all countries worldwide because competitiveness on today’s global, but also local markets becomes crucial element of the economic growth.

2.1. Introduction into the concept of the „smart“ legislation

In general, governments and public authorities are creating legislation to achieve certain goals; for example, to insure competitive market conditions, which provide same opportunities for everybody; to insure security and protection of all citizens; to insure level of social welfare; to preserve nature and to protect environment; to stimulate innovations and investments, etc. The goals of the governments are usually formulated as public policies, and legislation is the instrument, by which different tools and solutions are placed into utilisation to achieve defined goals. Creation of the new legislation inevitably produces costs and benefits for those on which legislation relates. In an effort, that new legislation is bringing more benefits than costs, governments are using different tools for the improvement of quality of regulation and other official documents. Governments, which are implementing different tools for the improvement of the legislation quality, are implementing principles of the “smart” legislation.

In last decade OECD (Organisation for Economic Co-operation and Development) promotes the „smart“ legislation concept. Main OECD principles are directing states towards adoption of the national “smart” legislation programs and utilisation of the available tools. Main tools, which can improve legislation quality,

are regulatory impact assessment, public consultation, search of alternatives to the formal legislation and reduction of the legislative barriers. “Smart” legislation concept is based on the consolidation, codification and simplification of the current legislation and quality improvement of the new legislation by assessing economic, social and environmental protection impacts. Regulatory impact assessment methodology includes public consultation and search of alternatives to the formal legislation, which opens possibility to consider possibilities for the legislation improvement thru one procedure. Legislation quality improvement inevitably touches all dimensions of society and economy, and challenge to the state is even bigger in its response to the economic cycles and crisis, innovation, social changes, challenges of the environmental protection, as well as to constant search for the sources of the growth.

European Commission¹ explained “smart” legislation approach in 2010 as an approach, where there is no question to have more or less legislation, but rather to accomplish results with as less as possible obstacles. According to the European Commission, there are three main characteristics of the “smart” legislation:

- It includes whole public policy cycle – legislation draft, implementation, evaluation and revision;
- It distributes responsibilities of the EU institutions and member states;
- Opinions of those affected by legislation have the key role in the “smart” legislation.

For the European Commission, the “smart” legislation’s goal is to create and to implement high quality legislation based on subsidiarity and proportionality principle, creation and implementation of which follows public policy creation from the beginning of the legislation draft to the revision of the legislation.

In general, the public policy creation cycle includes few steps during the public policy creation, i.e. legislation creation, and it is divided on:

- Defining the problem,
- Formulation of the goals,
- Selection of the best option,
- Implementation,
- Evaluation.

Each step is connected with the previous and next step and it completes complex of the public policy i.e. legislation. “Smart” legislation tools include basic principles of the public policy creation cycle, and the regulatory impact assessment methodology is the most appropriate tool for the creation of the more quality legislation. Because of that, strategic direction of the “smart” legislation has a role of the development and regulatory impact assessment implementation for the improvement of the legislation quality in the Republic of Croatia.

2.2. Term and defining of the Regulatory Impact

One of the tools, which can affect legislation quality, is the Regulatory Impact Assessment. Regulatory Impact Assessment serves to the state administration bodies i.e. qualified bearers in the prevention of the unclear, low quality legislative regulations, which are burdened with the administrative obstacles. Because of that, the need for the better, more quality legislation for more competitive Republic of Croatia is the main stimulation for the implementation of the Regulatory Impact Assessment utilisation in the legislation procedure.

¹ <http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/smartregulation.htm>

Essentially, regulatory impact assessment is the tool by which executive authorities are increasing legislation quality through opened, transparent and active search of more efficient modes of problem solving and through accomplishment of the defined goals of the public policies; without creation of additional obstacles for the citizens, civil society organisations and business community, with the creation of multiple positive impacts i.e. benefits in comparison with the negative impacts i.e. costs. Also, regulatory impact assessment is the tool for the decision-making, by which are analysed expected impacts of the proposed problem solving methods with active communication of the results towards decision makers. Because of that, regulatory impact assessment is, above all, basis for the adoption of the decisions, which are based on the information.

Two factors are important for the regulatory impact assessment implementation: methodology and institutional framework. The regulatory impact assessment methodology determines manner and scope of analysis of the expected impacts. States independently adjust basic methodology in line with their own needs and resources. The institutional framework determines the manner and scope of the legislation requiring regulatory impact assessment, about which countries decide independently.

Regulatory Impact Assessment is defined in the Croatian legislation by the Regulatory Impact Assessment Act (Official Gazette 90/2011, hereinafter: The Act), as decision-making process on regulation, based on evidences and collected relevant information which will serve as a guidelines for the selection of the best solution for the regulation approval or for carrying out alternative activities and measures. Regulatory Impact Assessment analyses positive and negative impacts on the area of economy, including financial impacts; area of the social welfare; area of the environmental protection, with the review on the fiscal impact; with the simultaneous consultation with the public and interested parties.

Regulatory Impact Assessment is the simple logical procedure, which directs decision-making process in the way that it gives answers on the few basic questions:

- What is the actual problem in the subject, which is matter of consideration?
- Who is affected by issue, which is matter of consideration?
- Why is necessary to start initiative for the change in the legislation?
- Which modes for the solution of the problem (options) are considered?
- Which are expected benefits, costs and risks of the considered options?
- Which is recommended option for the solution of the problem and why?
- How will recommended solution be implemented?
- How will achieved impacts of the recommended solution be monitored?
- When will evaluation of the recommended solution be implemented?

Above all, Regulatory Impact Assessment in the legislation procedure brings more possibilities for the decision-making regarding selection of the solution for the detected problem, because it provides for the decision makers:

- Logical structure, which gives basis for the decision-making;
- More structured information and facts, based on which is possible to see wider framework of the problem, solutions and impacts of the individual solutions;
- Identified benefits, costs and risks of the possible legislation solutions and other non-normative solutions, which enable their direct comparison;

- Information on consultation with the interested stakeholders; making, on that way, legislation procedure more opened and transparent, with simultaneous provision of possibilities for the stakeholders to openly give their proposals, comments and suggestions;
- Relevant overview of the expected benefits and costs, which may arise, allowing the harmonisation with other Government's programs;
- Wide platform for adoption of the legitimate, righteous and proportional decision, because legislation procedure is opened and transparent with the clear message to the public regarding the structure of the problem, expected impacts and responsibility for the decision-making in the legislation procedure;
- Help to the responsible head person in charge in his/her consideration of the consequences of the decision-making and modes of the monitoring and evaluation of the recommended solution.

3. DEVELOPMENT OF THE REGULATORY IMPACT ASSESSMENT IN THE REPUBLIC OF CROATIA

Since November 2009, the Legislation Office is competent for the development of the Regulatory Impact Assessment in the Republic of Croatia and for the coordination of that process. At that time, activities related to the development of the Regulatory Impact Assessment System were intensively implemented in cooperation with the Ministry competent for the economy in relation to the economic impact, Ministry competent for the finances in relation to the fiscal impact, Ministry competent for the social policy in relation to the social impact and Ministry competent for the environmental protection in relation to the environmental protection impacts.

By the conclusion of the Government of the Republic of Croatia, on the 29th April 2010, Report on former steps is adopted and further obligations in the development of that system are determined. System that will support and foster faster, more updated and more precise data and information flow will have as its final goal more quality approach regarding legislation needs and more quality regulation drafting and it will be starter of the development processes in the Republic of Croatia.

In 2010; in cooperation with SIGMA and joint initiative of the OECD and European Union (hereinafter: EU) for the provision of support in the implementation of reforms for the candidate countries for the access to the EU and to potential candidate countries for the EU membership; the Legislation Office started with the first education cycles on the Regulatory Impact Assessment Methodology for the state officers in the central administrative bodies i.e. for the expert bearers of the regulations' drafting. In addition to the education cycles, two pilot-projects on drafting the Regulatory Impact Assessment were implemented in cooperation with the Ministry competent for the environmental protection on the subject of the Car wreck management systems and in cooperation with the Ministry competent for the health on the subject of Limitation of the tobacco products usage.

In 2010, additional resources from the IPA (Instrument for Pre-Accession Assistance) 2007, EU pre-accession fund, are contracted for further development of the Regulatory Impact Assessment System. The Legislation Office became beneficiary of the resources for the implementation of the IPA 2007 twinning project "Development of the Regulatory Impact Assessment System". *Twinning* partners on the project were United Kingdom and Republic of Estonia.

After successful completion of the twinning project in 2012, following results were achieved:

- Regulatory Impact Assessment Act adopted (Official Gazette 90/2011),
- Regulation on the Implementation of the Regulatory Impact Assessment Process adopted (Official Gazette 66/2012),
- Working draft of the Regulatory Impact Assessment Strategy and Action Plan developed,

- Strengthened administrative capacities in the area of the Regulatory Impact Assessment thru several cycles of the seminars, workshops and pilot-projects that were implemented and
- Communication campaign for the awareness raising regarding importance of the Regulatory Impact Assessment implemented.

As a part of the *twinning* project, four pilot-projects on application of the Regulatory Impact Assessment method on the different types of legislation were implemented. In the Ministry competent for the social welfare, subject of the pilot-project was change of the legislation in the area of the foster care. In the Ministry competent for the environmental protection, subject of the pilot-project was harmonisation of the Croatian legislation with the EU legislation on the area of greenhouse gases emission units' trade. In the Ministry competent for the judiciary, subject of the pilot-project was possible new legislation on the area of the bankruptcy of the consumers; while the subject in the Ministry competent for the war veterans was related to legislation change in the area of the housing of the victims of the Homeland war, Croatian war veterans and their families.

In 2011 and 2012, the Legislation Office, with the support and work of their *twinning* partners, drafted completely new legislation framework for the Regulatory Impact Assessment System, developed administrative capacities of the expert bearer for the implementation of the Regulatory Impact Assessment Procedure and established stabile partnerships with the representatives of the business community (Croatian Chamber of Economy, Croatian Employers Association, Croatian Chamber of Crafts, Croatian Bank Association), some civil society organisations (Croatian Law Centre, Croatian Youth Network, Forum for the quality child foster care, Croatian Business Council for sustainable Development); as well as with syndicates' representatives (Croatian syndicate of textile, footwear, leather and rubber). Besides that, cooperation with the representatives of the academic community was established (Faculty of Law on the Zagreb University). In addition, excellent cooperation was established with the representatives of the EU Delegation in the Republic of Croatia, as well as with the Central Financing and Contracting Agency for the EU programs and projects.

3.1. Legislation Framework for the Regulatory Impact Assessment

Legislation framework for the Regulatory Impact Assessment is determined by the Act, Regulation on the Regulatory Impact Assessment Implementation (Official Gazette 66/2012, hereinafter: Regulation), harmonisation of the Government of the Republic of Croatia Rules of Conduct (Official Gazette 154/2011 and 121/2012) and by Regulation on the Legislation Office (Official Gazette 17/2012).

The Act regulates Regulatory Impact Assessment Procedure, documents for the Regulatory Impact Assessment, manner of annual planning of normative activities, bodies competent for the Regulatory Impact Assessment, manner of the consultation with the public and interested parties within that procedure, obligation of the professional training and specialisation in relation to the Regulatory Impact Assessment, drafting of the Regulation and other issues connected to that.

The Regulation prescribes more detailed criteria for the Initial Regulatory Impact Assessment, form for the drafting of the Initial Assessment, manners and methodology for implementation of the Regulatory Impact Assessment Procedure, form for the Regulatory Impact Assessment Statement, manners for the implementation of the consultation and public discussion in the Regulatory Impact Assessment Procedures and other issues connected to that.

The Government of the Republic of Croatia Rules of Conduct – Article 30. Paragraphs 1 and 2 – prescribe the obligation by which; along with the proposals of the regulations, other directives and official planning documents (projects, plans, programs, strategies, policies and similar) which are adopted by the Government; and along with the proposals of the draft Act and official planning documents which the Government proposes for adoption to the Croatian Parliament; central bodies of the state administration and competent Government's services must submit Statement on the Fiscal Impact Assessment i.e. Statement on the Regulatory Impact Assessment when there exists obligation in line with the special regulations in the area of the Regulatory Impact Assessment. Central bodies of the state administration, competent Government's

services and other bodies; must deliver Proposal of the Regulatory Impact Assessment Statement to the Legislation Office, as the competent body for the coordination of Regulatory Impact Assessment System, for their opinion because their approval, along with the proposal of the draft Act i.e. proposal of some other regulation.

By the same Rules of Conduct – Article 31 Paragraphs 1 and 2 – is prescribed obligation of the central bodies of the state administration, which are drafting proposals of the regulations and official planning documents, by which they must deliver to the Government statements mentioned in the Articles 30 and 57 of these Rules of Conduct, aligned with the opinion of the competent body for coordination of the Regulatory Impact Assessment System and competent central bodies of the state administration, mentioned in the Articles 30 and 57 of this Rules of Conduct, for which they evaluate that Government can adopt. In the case of disagreement regarding any part of the Statement between the central body of the state administration which is drafting proposal and the competent body for coordination of the Regulatory Impact Assessment System or the competent central body of the state administration; central body of the state administration which is drafting proposal submits, along with the Statement, enclosed Declaration, in which they are specifying areas of disagreement and reasons for disagreement.

The Regulation on the Legislation Office prescribes the scope of the Legislation Office as a competent service of the Government of the Republic of Croatia, internal organisation of the Office, titles of the internal organisational units, manner of the work of the Office, general number of needed state officers and other issues important for the work of the Office.

The same Regulation prescribes the tasks of the Office, related to the Regulatory Impact Assessment, on the more detailed manner:

- It coordinates and monitors implementation of the Annual Plan of normative activities, in line with the Act that regulates Regulatory Impact Assessment;
- It coordinates prescribed Regulatory Impact Assessment System and performs tasks in the scope of the Office, which is given to the Office by the Act that regulates Regulatory Impact Assessment;
- It prepares and implements programs of the professional training and specialisation of the state officers and other beneficiaries in the area of the Regulatory Impact Assessment and in the area of the Regulation creation;
- It also performs other tasks in line with the Act, which regulates Regulatory Impact Assessment.

Besides earlier listed regulations, it is necessary to mention the Budget Act (Official Gazette 87/2008 and 136/2012), the Croatian Parliament Rules of Conduct (Official Gazette 71/2000, 129/2000, 117/2001, 6/2002 – consolidated text, 41/2002, 91/2003, 58/2004, 58/2004, 69/2007, 39/2008, 86/2008 and 81/2012) and the Decision on the Form of Standard Methodology for the Fiscal Impact Assessment (Official Gazette 73/2008) that form complete legal framework for the Regulatory Impact Assessment System.

The Budget Act prescribes that proposals of the regulations, other provisions and official planning documents (projects, plans, programs, strategies, policies and similar) that have to be adopted by the Government and proposals of the Acts and official planning documents that have to be adopted by the Parliament must contain Fiscal Impact Assessment on the Budget in line with the special regulations.

The Croatian Parliament Rules of Conduct prescribes obligation by which every proposal of the Act must contain evaluation of the situation and basic questions that must be regulated by the Act and consequences that will arise from the adoption of the Act, evaluation and sources of funds, which are necessary for the implementation of the Act.

The Decision on the Form of Standard Methodology for the Fiscal Impact Assessment prescribes that proposer must draft Statement on the Fiscal Impact Assessment during creation of the proposals of the regulations, other provisions and official planning documents (projects, plans, programs, strategies, policies

and similar) that have to be adopted by the Government of the Republic of Croatia and proposals of the Acts and official planning documents that Government recommends to the Croatian Parliament for the adoption.

3.2. The Regulatory Impact Assessment System

The Regulatory Impact Assessment Procedure, as it is envisaged by the Act, starts with planning of the legislation in current year, for the next year; and after that Regulatory Impact Assessment is implemented on the part of the planned legislation. The workflow of the activities for the implementation of the Regulatory Impact Assessment Procedures during the year looks as it follows:

Timeframe	Steps in the Regulatory Impact Assessment Procedure
June to September of the current year	<p>Drafting of the Regulatory thesis and initial assessment</p> <p>Preliminary procedure, within the entire Regulatory Impact Assessment Process, starts with the creation of thesis on the content of the regulations. Initial assessment is created based on the written Regulatory thesis by completion of the initial assessment form.</p>
June to September of the current year	<p>Draft of the Plan of normative activities Proposal</p> <p>After implementation of the initial assessments for all regulations in terms of Regulatory Impact Assessment Act (Draft of the Act Proposal), which are planned to be drafted in the next year; work on the creation of the Proposal of the Plan of normative activities starts.</p> <p>The proposal of the Regulatory Plan shall be published to inform public in the duration of at least 15 days, in the period 1st-30th September of the current year. The expert bearer may, along with the information, publish e-mail address, postal address i.e. fax number to receive proposals, remarks and opinions, if they evaluate that there will be public interest for the published Regulatory Plan.</p>
September to December of the current year	<p>Drafting of the Plan of normative activities</p> <p>The Legislation Office considers Proposal of the Regulatory Plan and reviews all submitted Initial assessment forms and, if needed, requests supplement i.e. refinement of the Initial assessment for individual regulation enlisted in the Proposal of the Regulatory Plan.</p> <p>The expert bearer harmonizes the Proposal of the Regulatory Plan with the Legislation Office until 31st October of the current year for its enlisting in the Annual Plan for the next year.</p> <p>The Government of the Republic of Croatia; on the Legislation Office's proposal, adopts the Annual Plan of normative activities in the last trimester of the current year.</p>
During the next year in line with the deadlines adopted in the Annual Plan of normative activities	<p>Creation of the Draft Proposal of the Statement on the Regulatory Impact Assessment</p> <p>Regulatory Impact Assessment procedure starts by creation of the Draft Proposal of the Statement on the Regulatory Impact Assessment. Along with the Draft Proposal of the Statement, it is obligatory to separately enclose the</p>

	thesis on the content of the regulations, which are listed in the Initial assessment. The expert bearer of the regulations' creation, during drafting of the Draft Proposal of the Statement, conducts consultation with the interdepartmental bodies and other interested stakeholders.
	<p>Consultation</p> <p>The expert bearer of the regulations drafting conducts consultation with the public and interested parties on the Draft Proposal of the Statement in the duration of 30 days or longer if it is necessary.</p>
	<p>Provision of the opinions of the competent bodies</p> <p>After the consultation, the expert bearer of the regulations drafting corrects the Draft Proposal of the Statement and submits it, along with the thesis on the content of the regulations, for the opinion of the authorised bodies, which are obliged to submit their observations within 15 days.</p>
	<p>Drafting of the Regulation and Proposal of the Statement</p> <p>After the consultation and provision of the opinion of the authorised bodies on the Draft Proposal of the Statement, the expert bearer starts drafting Regulation and Proposal of the Statement.</p>
	<p>Public Discussion on the Regulation and Proposal of the Statement</p> <p>After the expert bearer has drafted Regulations and Proposal of the Statement, he is obliged to put it on the public discussion to the public and interested parties in the duration of at least 15 and up to maximum of 30 days.</p>
	<p>Sending the Regulation and Proposal of the Statement to the Government of the Republic of Croatia procedure</p> <p>After the public discussion, the Regulation and Statement Proposal are submitted for opinion to the relevant and competent bodies and for approval to the Legislation Office. The expert bearer can't submit the Regulation in the Government of the Republic of Croatia adoption procedure, neither the Regulation can be enlisted on the meetings of the Government of the Republic of Croatia working bodies if the Statement isn't final. The Statement is final after the Statement Proposal receives positive opinion of the competent bodies and approval from the Legislative Office.</p>

3.3. The Key Stakeholders and their Activities in the Regulatory Impact Assessment System

For proper functioning of the Regulatory Impact Assessment System as whole, it is needed to actively include different stakeholders into the Regulatory Impact Assessment System, to keep good cooperation and to create partnerships with the stakeholders that are listed later in the text, but without exclusion of anyone who wants to actively participate and contribute to the system development.

The key stakeholders in relation to the Regulatory Impact Assessment System in the public sector are:

- Competent bodies in the meaning of the Act,
- State administration bodies,
- Structural units of the state administration bodies in charge for the work on the Regulatory Impact Assessment,

- Appointed Regulatory Impact Assessment coordinators.

The key stakeholders in relation to the Regulatory Impact Assessment System in the private and civilian sector are:

- Croatian Chamber of Economy,
- Croatian Chamber of Crafts,
- Croatian Employers' Association,
- Croatian Banking Association,
- Unions,
- Different organisations of civil society,
- Different vocational associations.

Quality improvement in the Republic of Croatia Government's decision making process is achieved by expert and timely treatment of the expert bearers and the Legislation office; by monitoring process of harmonisation of Acts and other regulations with the EU *acquis communautaire* and with the international documents; by proper coordination of collection, registration, processing and data analysis related to the Regulatory Impact Assessment in cooperation with the competent Ministries; by drafting the opinion and Draft proposal of measures for further development and system improvement; by raising quality of Regulations and proposals of the official documents and by professional education and strengthening of the capacities of all stakeholders in the institutional system of the Regulatory Impact Assessment.

Regulatory Impact Assessment strengthens transparency by opening regulation adoption process to the stakeholders, interested public and public in general. Stakeholders outside the public administration, and on which the regulation is related, have the right to participate in the regulation adoption process. On this way they have opportunity to state their attitudes, give comments and proposals on the content of the proposed Statement i.e. Regulation.

First opportunity is informing on the Proposal of the Regulation Plan, and second possibility is participation in the consultation with the public and interested parties on the Draft of the Statement Proposal in the duration of 30 days. The third option is participation in the public discussion on Regulation and Statement Proposal in the duration of not less than 15 and up to 30 days.

Active role of all key stakeholders in the Regulatory Impact Assessment procedure will contribute to quality made regulatory impact assessments and enable adoption of more quality and clearer legislative regulations. Because of that is necessary to ensure long-term planning, activities and monitoring of the Regulatory Impact Assessment system and that presumes existence of strategic document on the Regulatory Impact Assessment. Development of the system is based on the vision, mission and goals that are planned to be achieved.

The special role in the regulatory impact assessment has Croatian parliament, representative body of Croatian citizens and bearer of the legislative power in the Republic of Croatia. In line with the Regulatory Impact Assessment Act, Croatian parliament, based on its conclusion, can initiate regulatory impact assessment procedure related to the activity of the Government of the Republic of Croatia in the EU institutions in relation to the Proposal of the Regulations and EU decisions in adoption of which it participates by its representatives.

In the case of the proposals of the EU Regulations, regulatory impact assessment has two additional key roles:

- The first is utilisation of the same for establishment of the consensus inside the Government in relation to the negotiation position related to the particular EU proposal;
- The second refers to utilisation of the same for data exchange with other member countries and European Commission for purpose of discussion of options and negotiation on most favourable outcome. For example, United Kingdom greatly uses regulatory impact assessment for a number of significant issues to affect decision-making or adoption of decisions or changes and supplements of proposals by submitting hard evidences regarding potential impacts.

Except harmonisation with EU legislation, the regulatory impact assessment has further significant function in analysis of options for transposition. There is often flexibility in the view how the certain Directive can be interpreted and implemented in the Croatian legislation. It is also used as a communication tool for presentation of the impacts so those which will be affected could start with planning possible necessary changes.

4. THE VISION, MISSION AND PRIORITY OBJECTIVES OF THE REGULATORY IMPACT ASSESSMENT

This Strategy represents the Vision, Mission and 6 main goals for the development of the regulatory impact assessment in the period 2013-2015. The Government of the Republic of Croatia sets strategic direction of the regulatory impact assessment system development by defining the Vision, Mission and 4 priority goals:

Vision

Thru Regulatory Impact Assessment System ensure development of better and more quality legislation in the manner that the new legislation achieves set goals with low costs and without unnecessary obstacles.

Mission

To ensure development of efficient and independent Regulatory Impact Assessment System by active role of all bodies responsible for the Regulatory Impact Assessment with participation of other state administration bodies and interested stakeholders.

Priority Objectives

C1. To ensure implementation of the Regulatory Impact Assessment procedure in line with the Regulation that regulates Regulatory Impact Assessment.

C2. To ensure promptly informing and participation of the stakeholders and interested public in the Regulatory Impact Assessment System.

C3. To develop good practice of the Regulatory Impact Assessment implementation and to implement professional education of the state officials and other persons in the area of the Regulatory Impact Assessment.

C4. To ensure active implementation of the Action plan to ensure strategic direction with implementation of the corrective measures, if needed.

4.1. The Vision

Developing regulatory impact assessment, the Government of the Republic of Croatia sets strategic framework for the creation of quality and “smart” legislation. Principle of “smart” legislation is to create flexible, simple, understandable and quality legislation that gives basis for development of the economy and society. Existing and new legislation is a product consumed by economic entities, civil society organisations

and citizens in everyday business and life. Legislative frame must give stability and simplicity of the legislation with the low costs of consummation of legal rules and unnecessary everyday obstacles for those on whom these rules apply. That legislative frame is the basis for stability and development of market, creation of the equal market opportunities for entrepreneurship, development of different initiatives of the civil society organisations for creation and strengthening of righteousness and equality, with a protection and preservation of living and natural environment.

4.2. The Mission

The framework of the Regulatory Impact Assessment System is active cooperation and mutual communication between the Government of the Republic of Croatia and state administration bodies. For the creation of quality and “smart” legislation is needed to plan legislation for optimal utilisation of limited resources. It isn’t a question more or less legislation, but rather to make new legislation more favourable for doing business and for citizens, creation of social righteousness with reduction of negative environmental impacts. To achieve that kind of legislation it is needed to assess impacts of the new regulation taking into consideration economy, social, financial impacts as well as environmental impacts. Because the new legislation is a product of the expert bearer of the regulation drafting, it is needed to include consumers of the new legislation into creation of this product. The Regulatory Impact Assessment procedure opens communication channel for active participation and creation of partnerships between interested stakeholders and public and state administration bodies with the joint mission of creation of more quality legislation. Mission of the Government of the Republic of Croatia is to ensure development of efficient and individual regulatory impact assessment system by active role of all bodies responsible for the regulatory impact assessment system with participation of other state administration bodies and interested stakeholders.

4.3. Priority Objectives

The Strategy is directed towards 4 priority goals. These goals unify key determinants of the Government of the Republic of Croatia in establishment of efficient and individual regulatory impact assessment system to create more quality and “smart” legislation. The goals represent 4 priorities that are wanted to be achieved in the 3-year period.

Priority Objective 1. – To ensure implementation of the regulatory impact assessment process in line with the regulations that regulate regulatory impact assessment – this includes activities that allow implementation of the process in line with the Act and the Regulation. Stable and predictable procedure is the basis for implementation of the regulatory impact assessment methodology. In the Republic of Croatia Government’s system of the regulatory impact assessment, bodies of state administration, but also interested stakeholders, have rights and obligations, which must be implemented on time. Insurance of the implementation of the regulatory impact assessment process provides stability and predictability to the regulatory impact assessment system.

Priority Objective 2. – To ensure promptly informing and participation of the stakeholders and interested public in the Regulatory Impact Assessment System – this includes activities directed towards promptly informing of the public, interested parties and stakeholders on activities of planning of legislation and regulatory impact assessment proceedings. Implementation of these activities will achieve informing of stakeholders interested for participation in the process. State administration bodies are obliged to inform public on the planning and drafting of the legislation, while stakeholders have right to decide on their participation in the regulatory impact assessment process. The regulatory impact assessment is the communication tool that in the structured manner leads from the problem, setting of the goal, options and key impacts and that is basis for the consultation with the stakeholders to evaluate impacts and recommend most favourable option for the problem solving and reaching the goal.

Priority Objective 3. – To develop good practice of the Regulatory Impact Assessment implementation and to implement professional education of the state officials and other persons in the area of the Regulatory Impact Assessment – this includes activities directed towards mutual communication and exchange of acquired knowledge and good practice of the regulatory impact assessment process implementation of all

parties included in the system, from the Legislation Office, expert bearers of the regulation drafting and up to the appointed regulatory impact assessment coordinators. Regulatory impact assessment process includes complex methodology, which includes few tools that must be mastered in order that this process contributes to the quality of the legislation. Activities inside this priority goal involve development and implementation of education programs for the state officials and external stakeholders. Besides that, activities include exchange of experiences in the regulatory impact assessment implementation with the experts from EU and region.

Priority Objective 4. – To ensure active implementation of the Action plan to ensure strategic direction with implementation of the corrective measures, if needed – this includes activities directed towards monitoring of the regulatory impact assessment implementation and achievement of priority goals set for the 3-year period of this Strategy. Activities included in this priority goal are framework for the regular data collection on the development of the regulatory impact assessment system and implementation of the regulatory impact assessment process. Data analysis can establish the trends, difficulties and risks of the system and that allows consideration, adoption and implementation of the corrective measures. In the annual level, these activities will allow creation of the new action plan as well as evaluation of the achieved priority goals in the 3-year period

5. THE IMPLEMENTATION FRAMEWORK AND MANNERS FOR MONITORING OF THE STRATEGY AND ACTION PLAN IMPLEMENTATION

Implementation frame for the regulatory impact assessment process is regulated by the Act and the Regulation that regulate regulatory impact assessment system. Competences for the implementation of the regulatory impact assessment system in the Republic of Croatia are distributed on the Legislation Office, expert bearers and competent bodies.

5.1. The Implementation Framework of the Strategy

The Act regulates jurisdiction of the **Legislation Office** for coordination and drafting of the documents for the Regulatory Impact Assessment Strategy, Action plan for the Regulatory impact assessment, Report and implementation of the Regulatory impact assessment and Annual plan of normative activities. Also, it is competent for the implementation of work related to professional training and specialisation in the area of the regulatory impact assessment and the area of the regulation drafting, for provision of the opinion and drafting of the needed official documents. Besides these tasks, it is competent for other tasks related to the regulatory impact assessment system defined by special regulations that regulate scope of the Government of the Republic of Croatia and the scope of the Legislation Office.

The Act also prescribes jurisdiction of **the expert bearer for the regulation drafting** for the drafting of the Initial Assessment and Proposal of the Regulation plan for the Annual plan and for the implementation of the regulatory impact assessment process implementation in line with this Act and Regulation. It is also responsible for the establishment of appropriate administrative capacities: definition of one expert person – coordinator for tasks related to the implementation of the regulatory impact assessment process, i.e. if evaluated as needed, establishment of the appropriate organisational unit. Act defines **competent bodies** in the regulatory impact assessment process that participate in the process by considering and giving opinion on the Draft of the Statement Proposal of the Ministry in relation to the content of the Statement in line with their jurisdiction, as it follows:

- Competent body for the area of social policy provides opinion in relation to the established assessment of the social impacts, and if evaluated as needed, provides opinion of the body competent for the health care,
- Competent body for the area of economy provides opinion in relation to the established assessment of the economic impacts, including financial impacts, and if evaluated as needed, in its opinion includes opinion provided by other body competent for the individual area of economy,
- Competent body for the area of environmental protection provides opinion in relation to the established assessment of impacts on the environmental protection,

- Competent body for the area of finances provides opinion in relation to the approximate assessment of the expected fiscal impact on the state budget.

5.2. Required Resources and Funds for the Implementation of the Strategy and Action Plan

Required resources for the implementation of the Strategy and Action Plan can basically be divided on the human and financial resources that will support work of the state officials in the Regulatory impact assessment system. Main resources that support implementation of the Action plan are the Legislation Office's and state administration bodies' resources.

The Regulation on Legislation Office prescribes that the Ordinance on the internal order of the Office establishes systematisation in the Office, number of needed officials with the indication of their tasks and duties and professional conditions for their implementation, their jurisdiction and responsibilities as well as other issues significant for the work of the Office. In line with this Regulation, corresponding number of advisors in the Unit competent for the Regulatory impact assessment is responsible for monitoring of the Strategy and Action plan.

Same Regulation defines approximate number of the state officials in the Unit for the legislative tasks in the area of regional development and EU funds, for system and coordination of the Regulatory impact assessment and EU activities; that are working on the tasks of the Regulatory impact assessment. Approximate number of the state officials for this Unit is 5, which makes a good basis for the implementation of the Action plan. In the state budget, in the Section on the Legislation Office, for the approximate number of state officials, material and financial resources are ensured for the support to human resources in the Office that are sufficient for the annual salaries of advisors and main material working resources, as for example PC, internet, land phone line and office material. In line with the Act, expert bearers of the regulation drafting are obliged to ensure corresponding administrative capacities for the implementation of the Regulatory impact assessment tasks that demand certain level of independence and connectivity in the work – to appoint coordinator i.e. establish corresponding organisational unit for conduction in line with this Act and its implementation Regulation.

Implementation of the Action plan also depends on assigned human resources for the implementation of the Regulatory impact assessment system. Every expert bearer of the regulation drafting must have at least one appointed coordinator of the Regulatory impact Assessment and active involvement of other state officials included in the Regulatory impact assessment process. Appointed coordinator of the Regulatory impact assessment must have professional knowledge on the Regulatory impact assessment methodology for successful execution of the coordinator role. The expert bearer of the regulation drafting, in the scope of the regulatory impact assessment tasks, can have more appointed coordinators if that demands the nature of competences of body i.e. can have corresponding organisational unit for the tasks of the Regulatory impact assessment. Depending on planned legislative activities, the expert bearer of the regulation drafting must ensure sufficient human resources for implementation of legislative tasks in line with the Regulatory impact assessment procedure scheduled by the Annual plan of normative activities. Available human resources have ensured sufficient financial resources in for of annual salaries, material resources and office equipment in order to implement Regulatory impact assessment procedure.

THE ACTION PLAN OF THE REGULATORY IMPACT ASSESSMENT FOR THE PERIOD 2013-2015

1. SYSTEM FOR THE MONITORING OF THE ACTION PLAN IMPLEMENTATION

Regulatory Impact Assessment Strategy 2013-2015 (hereinafter: The Strategy) defines the 3-year development of the Regulatory impact assessment with set priority goals; while the Regulatory Impact Assessment Action plan (hereinafter: The Action Plan) includes one-year activities for realization of priority goals. Implementation of the Regulatory impact assessment isn't entirely in the domain of one, but it is rather part of every state administration body, and due to that the key to success is active coordination of all state administration bodies i.e. expert bearers of the regulation drafting. Action Plan defines priority measures and activities on the development of the Regulatory impact assessment system, manner of the implementation of measure, implementation deadlines, implementation bearers, assessment of the resources needed for the implementation of activities scheduled in the Action plan.

Monitoring of the implementation of the Action plan is competence of the Legislation Office. The Regulation on the Legislation Office (Official Gazette 17/2012) prescribes that Unit competent for the Regulatory impact assessment also have responsibility for the tasks of monitoring of regulation implementation on the area of Regulatory impact assessment, tasks of proposal of measure, documents, ordinances and guidelines and their drafting, provision of opinion for further development and improvement of the Regulatory impact assessment system. Directly in charge for these tasks are advisors in earlier mentioned Unit in line with the internal official documents of the Office. Monitoring will be implemented by the Government of the Republic of Croatia by Legislation Office's Report on implementation of enlisted planed documents in the 3-year application period.

In the one-year implementation period of the Action plan, continuous monitoring of the implementation of the corresponding Strategy and Action plan will be ensured by active coordination and cooperation of appointed coordinators of the Regulatory impact assessment and representative of the Legislation Office. Active coordination and mutual cooperation of appointed coordinators for the Regulatory impact assessment and representative of the Legislation Office have role:

- To ensure timely implementation of the deadlines enlisted in the Action plan;
- To ensure strategic overview of implementation of set goals and Action plan in order to ensure timely changes in the Strategy and Action plan in line with the priorities and newly developed circumstances;
- To exchange experiences and good practice in the implementation of the Action plan.

2. RISKS AND CORRECTIVE MEASURES FOR THE IMPLEMENTATION OF THE ACTION PLAN

Successful implementation of the Action plan presumes continuous overview of possible risks during implementation of the activities. Identification of the main risks gives possibility to manage and control emerged risk with the implementation of the corrective measure. For the needs of the Action plan, main risks are identified based on the Strategy priority goals.

In the priority goal 1. – To ensure implementation of the Regulatory impact assessment process in line with the regulations that regulate Regulatory impact assessment – 3 risks are identified that can be connected with this priority goal. Basically, risks are connected with the regular planning of the legislation, changes of priorities in the work of the expert bearer of the regulation drafting as well as with lack of administrative and human resources of the expert bearer of regulation drafting. Negative impacts on the implementation of activities are enlisted for each individual risk, for example delay in the implementation of the activities, difficult implementation of the procedure, as well as low quality of documents in the Regulatory impact assessment process. Corrective measures are determined for each individual risk that should decrease impact

of the emerged risk, as for example continuous monitoring of the implementation of activities and risk prevention and up to the better inclusion of the Regulatory impact assessment coordinator, as well as the coordination and provision of advices and suggestions by the Legislation Office.

In the priority goal 2. – To ensure promptly informing and participation of the stakeholders and interested public in the Regulatory Impact Assessment System – 2 risks are identified that can be connected with this priority goal. Identified risks are related to lack of informing and inclusion of the public, interested parties and stakeholders in the Regulatory impact assessment process. Identified risk of lack of updating in the publication of information related to the planned legislation and proceedings of the Regulatory impact assessment, which can lead to the lack of information of stakeholders on the Regulatory impact assessment processes. This leads to low inclusion of stakeholders during the consultation in process and that can result in low quality of the Statement. For these risks are scheduled corrective measures include regular update of the web pages, as well as regular informing of the vocational organisations and stakeholders' organisations on legislation planning and started processes of the Regulatory impact assessment. Also, corrective measures include regular communication between the Legislation Office and expert bearers of the regulation drafting, appointed coordinators of the Regulatory impact assessment on planned legislation and proceedings in order to ensure regular data exchange.

In the priority goal 3. – To develop good practice of the Regulatory Impact Assessment implementation and to implement professional education of the state officials and other persons in the area of the Regulatory Impact Assessment – 3 risks are identified that can be connected with this priority goal. They are connected to lack of participation and low engagement of the appointed coordinators in the development of the Regulatory impact assessment system. Namely, every appointed coordinator is obliged to actively participate in the implementation of the Regulatory impact assessment Act (Official Gazette 90/2011, hereinafter: The Act) and the Regulation on the implementation of the Regulatory Impact Assessment Process (Official Gazette 66/2012, hereinafter: The Regulation), but it is possible that individual coordinators are not able to cope with the responsibilities in the Regulatory impact assessment system. Scheduled corrective measures include active approach of the Legislation Office in the preparation of the annual meetings of appointed coordinators, as well as forwarding of the official information and letters to the expert bearers of the regulation drafting in relation to the lack of engagement of coordinators with the request for the response on that issue. The second identified risk is related to the problems in the implementation of education programs in the area of the Regulatory impact assessment. Expected impacts of this emerged risk can be indirectly felt on the quality of documents drafted in that process, as well as in low administrative capacity for the implementation of the process. Cause for this risk can be found in the lack of financial resources for the implementation of the education and that led towards corrective measures that are relying on the insurance and search of options for the financial support for the program implementation. Regulatory impact assessment methodology is basically set by the Act and Regulation, but good implementation practice of this methodology is in the good implementation of the process. Due to that, lack of updated Guidelines for the implementation of the process is identified as the risk. Scheduled corrective measures are related to the minimal 2-year updating of the Guidelines as well as updating of the education programs.

In the priority goal 4. – To ensure active implementation of the Action plan to ensure strategic direction with implementation of the corrective measures, if needed – 2 main risks are identified that can be connected with this priority goal. Identified risks are related with lack of participation of the appointed coordinators in the data exchange on the development of the Regulatory impact assessment system and determination of the corrective measures for the implementation of the Action plan. Second risk is related to the lack of promptness in the data and information collecting, and that leads to problems in the implementation of the Strategy and Action plan and lower level of statistical data. Scheduled corrective measures for these risks are related to the timely informing on activities and meetings of the appointed coordinators as well as requests for the delivery of the relevant information on the implementation of the process to the Legislation Office.

I. Priority Measures and Activities

Priority Objective 1: To ensure implementation of the Regulatory impact assessment process in line with the regulations that regulate Regulatory impact assessment			
Measures and Activities	Implementation Bearer	Implementation Deadlines	Resources and Funds needed for the Implementation
1.1. Monitor implementation of the Regulatory impact assessment Act and the Regulation on the implementation of the regulatory impact assessment based on the execution of the Annual plan of normative activities	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously throughout the year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
1.2. Timely inform appointed coordinators of the Regulatory impact assessment when the planning of the legislation in current year, for the next year, starts.	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Until 31 July of the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
1.3. Drafting of the Regulation thesis	The expert bearer for the creation of the regulations and coordinator of the Regulatory Impact Assessment	Until 31 August of the current year	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment
1.4. Drafting of the Initial Assessment based on the developed Regulation thesis	The expert bearer for the creation of the regulations and coordinator of the Regulatory Impact Assessment	Until 31 August of the current year	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment
1.5. Development of the Proposal of the Regulation plan based on the developed Regulation thesis and Initial assessment	The expert bearer for the creation of the regulations and coordinator of the Regulatory Impact Assessment	Until 31 August of the current year	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned

			<p>budgetary resources;</p> <p>Trained coordinator of the Regulatory Impact Assessment</p>
<p>1.6. Publication of the Proposal of the Regulation plan on its own web page in order to inform the public</p>	<p>The expert bearer for the creation of the regulations and coordinator of the Regulatory Impact Assessment</p>	<p>Until 30 September of the current year (must be published at least 15 days)</p>	<p>Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources;</p> <p>Trained coordinator of the Regulatory Impact Assessment;</p> <p>Active web address of the competent bearer of the regulations creation</p>
<p>1.7. Delivery of the Proposal of the Regulation plan for the opinion to the Legislation Office</p>	<p>The expert bearer for the creation of the regulations and coordinator of the Regulatory Impact Assessment</p>	<p>Until 31 October of the current year</p>	<p>Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources;</p> <p>Trained coordinator of the Regulatory Impact Assessment;</p> <p>Active web address of the competent bearer of the regulations creation</p>
<p>1.8. Drafting of Proposal of the Annual Plan of normative activities</p>	<p>Legislation Office, Unit responsible for RIA, Advisor in the Unit</p>	<p>Until 30 November of the current year</p>	<p>Human, material and financial resources of the Legislation Office in line with planned budgetary resources</p>
<p>1.9. Adoption of the Annual Plan of normative activities</p>	<p>The RoC Government</p>	<p>Until 31 December of the current year</p>	<p>Proceeding in line with the Rules of conduct of the ROC Government and enlisting in the Roc Government agenda</p>
<p>1.10. Beginning of the Regulatory Impact Assessment Procedure</p>	<p>The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment</p>	<p>According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities</p>	<p>Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources;</p> <p>Trained coordinator of the</p>

			Regulatory Impact Assessment
1.11. Drafting of the Draft of the Statement proposal on the regulatory impact assessment and implementation of the consultation	The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities; minimum of 30 days of consultation	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment; Active web address of the competent bearer of the regulations creation
1.12. Update of the Draft of the Statement proposal and delivery for the opinion to the competent bodies	The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment
1.13. Delivery of the opinion on the received Draft of the Statement proposal	Competent bodies	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities; 15 days from the day of the receipt	Human, material and financial resources of the competent body in line with planned budgetary resources; Trained state officers of the competent body
1.14. Drafting the Proposal of the Statement on the regulatory impact assessment	The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment
1.15. Start of the drafting of the Draft of the regulation proposal	The expert bearer for the creation of the regulations, appropriate organizational unit	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources

		in the Annual Plan of the normative activities	
1.16. Opening of the public discussion related to the Draft of the regulation proposal and Proposal of the Statement on the regulatory impact assessment	The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities; Minimum 15 and up to 30 days	Human, material and financial resources of the expert bearer for the creation of the regulations in line with planned budgetary resources; Trained coordinator of the Regulatory Impact Assessment; Active web address of the competent bearer of the regulations creation
1.17. Sending of the Regulation proposal and Proposal of the Statement on the regulatory impact assessment to the relevant, competent bodies and Legislation Office for their opinion	The expert bearer for the creation of the regulations, appropriate organizational unit and coordinator of the Regulatory Impact Assessment	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities	Procedure in line with the RoC Government Rules of conduct
1.18. Submission of the opinion on the Regulation proposal and approval of the Proposal of the Statement on the regulatory impact assessment	Relevant and competent bodies, Legislation Office	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities	Human, material and financial resources of the expert bearer for the creation of the regulations, other state administration bodies and Legislation Office in line with the planned budgetary resources Approval of the Legislation Office on the Proposal of the Statement
1.19. Adoption of the Regulation proposal and final Statement on the regulatory impact assessment on the meeting of the RoC Government	The expert bearer for the creation of the regulations, RoC Government	According to the planned deadline for the implementation of the Regulatory Impact Assessment Process, in accordance with the quarter in the Annual Plan of the normative activities	Procedure in line with the RoC Government Rules of conduct, enlisting in the RoC Government agenda
1.20. Regulation proposal and final Statement on the regulatory impact assessment as an integral part of documentation presented in the legislative procedure to the Croatian	The proponent of the regulations	In accordance with the procedure of the Croatian Parliament	Legislative procedure in line with the Croatian Parliament Rules of conduct

Parliament			
------------	--	--	--

Priority Objective 2: To ensure promptly informing and participation of the stakeholders and interested public in the Regulatory Impact Assessment System

Measures and Activities	Implementation Bearer	Implementation Deadlines	Resources and Funds needed for the Implementation
2.1. Publication of the information and links related to the Proposals of the Regulation plans on the Legislation Office's web page	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Until 30 September of the current year upon publication on the website of the competent bearers of the regulation creation	Human, material and financial resources of the Legislation Office in line with planned budgetary resources Active web page of the Legislation Office
2.2. Publication of the information and links related to the current consultations and public discussions regarding the Drafts of the Statement proposal i.e. Regulation proposal and the Statement Proposal on the Legislation Office's web page	Legislation Office, Unit responsible for RIA, Advisor in the Unit	In accordance with the quarter in the Annual Plan of the normative activities	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Active web page of the Legislation Office
2.3. Publication of the information and links related to the Regulation proposals that passed regulatory impact assessment process and they are enlisted on the RoC Government agenda	Legislation Office, Unit responsible for RIA, Advisor in the Unit	In accordance with the quarter in the Annual Plan of the normative activities; Date of the meeting of the RoC Government	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Active web page of the Legislation Office
2.4. Publication of the information and links related to the Regulation proposals that passed regulatory impact assessment process and they are in the procedure in line with the Croatian Parliament's Rules of conduct	Legislation Office, Unit responsible for RIA, Advisor in the Unit	In accordance with the procedure and the agenda of the Croatian Parliament	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Active web page of the Legislation Office
2.5. Regular informing of the coordinator of the regulatory impact assessment and stakeholders regarding	Legislation Office, Unit responsible for RIA, Advisor in the Unit	In accordance with the quarter in the Annual Plan of the normative activities;	Human, material and financial resources of the Legislation Office in line with planned budgetary

implementation of the regulatory impact assessment by e-mail lists		as needed	resources; Active web page of the Legislation Office and the e-mail list of the stakeholders' representatives
2.6. Maintenance of the established relationship with the representatives of business community and organisations of civil society by meetings, e-mail, seminars, conferences and similar	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Active web page of the Legislation Office and the e-mail list of the stakeholders' representatives
2.7. Participation of the Legislation Office representative on the public events and other events organised by representatives of the business community and civil society	Representatives of the business community and/or civil society organisations and/or relevant international organisation, Legislation Office	Continuously during the current year	Ensured resources by organiser; Available time of the Legislation Office representative for the participation
2.8. Update of the Communication Strategy of the Legislation Office that was developed as a part of twinning project	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources

Priority Objective 3: To develop good practice of the Regulatory Impact Assessment implementation and to implement professional education of the state officials and other persons in the area of the Regulatory Impact Assessment

Measures and Activities	Implementation Bearer	Implementation Deadlines	Resources and Funds needed for the Implementation
3.1. Regular organisation of the meeting between appointed coordinators of the regulatory impact assessment and the representative of the Legislation Office	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Three times per year: in January, June and November of the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Appointed coordinators for the regulatory impact assessment for the central bodies of state administration
3.2. Support to the appointed coordinators of the regulatory impact assessment with advices, suggestion and comments during the Regulatory impact	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Appointed coordinators for the regulatory impact assessment

assessment procedure			for the central bodies of state administration
3.3. Development of the cooperation and participation in the exchange of the knowledge, experiences, and good practice in the area of the Regulatory impact assessment with the colleagues in the EU institutions, EU members and countries in the region	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Secured financial resources for the traveling costs in the Legislation Office budget
3.4. Development of the training plan in line with the training needs in the area of the Regulatory impact assessment methodology and based on the training programme and documentation developed during the twinning project	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Insured cooperation with the SIGMA
3.5. Implementation of the trainings in the area of the Regulatory impact assessment in cooperation and in line with the State school for public administration	Legislation Office, Unit responsible for RIA, Advisor in the Unit; State school for public administration	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Human, material and financial resources of the State school for public administration in line with the planned budgetary resources
3.6. Implementation of the education programmes on the area of the Regulatory impact assessment in cooperation Croatian and international institutions	Legislation Office, Unit responsible for RIA, Advisor in the Unit; Education organiser	As needed	Human, material and financial resources of the Legislation Office in line with planned budgetary resources and education organiser
3.7. Update of the Guidelines for the implementation of the Regulatory impact assessment that are developed as a part of the twinning project in	Legislation Office, Unit responsible for RIA, Advisor in the Unit	As needed	Human, material and financial resources of the Legislation Office in line with planned budgetary resources

line with the good practice for the implementation of the Regulatory impact assessment			
--	--	--	--

Priority Objective 4: To ensure active implementation of the Action plan to ensure strategic direction with implementation of the corrective measures, if needed.

Measures and Activities	Implementation Bearer	Implementation Deadlines	Resources and Funds needed for the Implementation
4.1. Analysis of the Regulatory impact assessment process (legislation planning and implementation of the Regulatory impact assessment) in order to establish difficulties and challenges during the legislation planning and implementation of the Regulatory impact assessment process	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.2. Preparation of the corrective measures in order to remove difficulties during the planning of the legislation and implementation of the Regulatory impact assessment	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.3. Regular reporting to appointed coordinators of the Regulatory impact assessment on difficulties in the implementation of the Regulatory impact assessment and discussion on the corrective measures in order to improve Regulatory impact assessment process	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year; At least the three annual meetings of the Regulatory Impact Assessment coordinators	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.4. Collection of data and information in relation to the legislation planning and procedure of the Regulatory impact assessment with purpose of monitoring of the Regulatory impact assessment process and activities from the Action	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Continuously during the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources; Trained coordinator of the regulatory impact

plan			assessment; Active web page of the Legislation Office
4.5. Regular quarterly monitoring of the execution of the activities enlisted in the Action plan	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Four time during the year	Human, material and financial resources of the Legislation Office
4.6. Monitoring of risks and measures in order to improve implementation of the Action plan	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Four time during the year i.e. regarding the need	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.7. Update and preparation of the Action plan in the current year for the next year	Legislation Office, Unit responsible for RIA, Advisor in the Unit	December of the current year	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.8. Preparation of the Report on the Strategy and Action plan implementation for the implementation of the Regulatory impact assessment for the RoC Government	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Every three years after adoption of the Strategy	Human, material and financial resources of the Legislation Office in line with planned budgetary resources
4.9. Analysis of the achievement of the main Strategy and Action plan goals for the implementation of the Regulatory impact assessment	Legislation Office, Unit responsible for RIA, Advisor in the Unit	Three years after adoption of the Strategy	Human, material and financial resources of the Legislation Office in line with planned budgetary resources

II. Risks and Corrective measures for the implementation of measures and activities

Successful implementation of the Action plan presumes continues overview of the possible risks during implementation. Identification of the main risks gives possibility for managing and control of the arising risk with the implementation of the corrective measure. For the needs of the Action plan, main risks are defined on the basis of the priority goals of the Strategy.

Priority Objective 1: To ensure implementation of the Regulatory impact assessment process in line with the regulations that regulates Regulatory impact assessment.

Risk 1.1.

Risk:

Expert bearers of the regulation drafting haven't started

Impact:

• Delays in the drafting of the Regulation thesis

<p>planning in line with the Act and Regulation</p>	<p>and initial assessments in the competent organisational units</p> <ul style="list-style-type: none"> • Delays in the drafting of the Proposal of the Regulation plan and in the publication on the web pages of the expert bearer for the regulation drafting • The Legislation Office is unable to join Proposal of the Plan of normative activities
---	--

Corrective measures:

- To draft Regulatory thesis and Initial Assessment, the expert bearers of the regulation drafting must connect adopted strategic documents, Roc Government programs with the regular annual planning of the legislation
- The Legislation Office in time, and latest during the July of the current year, informs coordinators of the Regulatory impact assessment on the beginning of the planning of legislation and all coordinators inform all organisational units of the expert bearer of the regulation drafting on that subject
- The coordinators of the Regulatory impact assessment must be available to all organisational units for advices and suggestions and must active participate in the preparation of the Regulation plan proposal

Risk 1.2.

Risk:	Impact:
--------------	----------------

<p>Work volume and intensity on the Regulatory impact assessment is significantly changing due to the lack of resources and change of the priorities and that leads to delays in relation to the deadlines set in the Annual plan of normative activities</p>	<ul style="list-style-type: none"> • Approved deadlines in the Annual plan of normative activities are questionable • Due to the lack of resources, Regulatory impact assessment implementation is more difficult and it becomes just a formality • Low quality of the procedure as well as official documents for the Regulatory impact assessment • The Legislation Office don't give consent for the official documents, the drafting quality of which is low
---	--

Corrective measures:

- Continuous monitoring of the execution of the Annual plan of normative activities by the coordinators of the Regulatory impact assessment and Legislation Office and active exchange of information on that subject by memos, e-mails and regular meetings
- The expert bearer of the regulation drafting, with active participation of the coordinators of the Regulatory impact assessment, plan better implementation of the Regulatory impact assessment in order to use available resources on the optimal way
- The coordinators of the Regulatory impact assessment help in the drafting of regulatory impact assessment official documents with their advices and suggestions
- The Legislation Office gives advices and suggestions, organizes *ad hoc* meetings with the coordinators of the Regulatory impact assessment and other stakeholders in the Regulatory impact assessment process in order to improve drafting quality of the Regulatory impact assessment official documents

Risk 1.3.	
Risk:	Impact:
Administrative and human resources of the expert bearer of the regulation drafting are not on the satisfying level in order to implement Regulatory impact assessment procedure	<ul style="list-style-type: none"> • Adopted deadlines from the Annual plan of the normative activities become questionable • Due to the lack of resources the implementation of the Regulatory impact assessment process is problematical and it becomes just a formality • Appointed coordinators of the Regulatory impact assessment are changed due to the change in the work volume i.e. they are going on the other working place
Corrective measures:	
<ul style="list-style-type: none"> ■ The coordinators of the Regulatory impact assessment actively participate by advices and suggestions and educate other on the Regulatory impact assessment methodology ■ The coordinators of the Regulatory impact assessment identify key human resources and propose to send them on the education on the Regulatory impact assessment ■ The Legislation Office regularly implements education cycles on the subject of the Regulatory impact assessment methodology 	
Priority Objective 2: To ensure promptly informing and participation of the stakeholders and interested public in the Regulatory Impact Assessment System.	
Risk 2.1.	
Risk:	Impact:
Insufficient updating of the information and links on the web page of the expert bearer for the regulation drafting and on the web pages of the Legislation Office in relation to legislation planning and Regulatory impact assessment process	<ul style="list-style-type: none"> • Untimely informing of the stakeholders and interested public • Lack of the participation of the stakeholders in the regulatory impact assessment process due to the lack of informing
Corrective measures:	
<ul style="list-style-type: none"> ■ Continuous update of the web pages of the expert bearer of the regulation drafting and Legislation Office ■ The coordinator of the Regulatory impact assessment disseminates information, knowledge and good practice on the other organisational units of the expert bearer of the regulation drafting on importance of stakeholder's inclusion in the Regulatory impact assessment process ■ After the coordinator of the Regulatory impact assessment has left, the expert bearer of the regulation drafting appoints new coordinator and informs the Legislation Office ■ Former coordinator of the Regulatory impact assessment submits Regulatory impact assessment documentation to the newly appointed coordinator ■ Regular informing of the stakeholders by e-mail lists and other appropriate information exchange methods 	
Risk 2.2.	

Risk:	Impact:
Low level of inclusion of the stakeholders during the consultation and public discussion during the Regulatory impact assessment process	<ul style="list-style-type: none"> • Lower quality level of the Statement on the Regulatory impact assessment • Lost time due to the additional work on the Proposal of the Statement on the Regulatory impact assessment

Corrective measures:
<ul style="list-style-type: none"> ■ Appointed coordinators of the Regulatory impact assessment timely forward information on the web pages of the expert bearer of the regulation drafting on the subject of the beginning of the consultation i.e. public discussion related to the Regulatory impact assessment ■ The coordinator of the Regulatory impact assessment disseminates information, knowledge and good consultation practice on the other organisational units of his/her state administration body ■ The State administration bodies and Legislation Office continuously inform the public and stakeholders on the consultation process i.e. public discussion on subject of the Proposals of the Statement on the Regulatory impact assessment

Priority Objective 3: To develop good practice of the Regulatory Impact Assessment implementation and to implement professional education of the state officials and other persons in the area of the Regulatory Impact Assessment.

Risk 3.1.

Risk:	Impact:
Non-participation of all appointed coordinators of the Regulatory impact assessment on regular annual meetings of the Regulatory impact assessment coordinators	<ul style="list-style-type: none"> • Non-participation of all coordinators in the development of the Regulatory impact assessment process • Lack of informing and non-participation in the exchange of good practice between the coordinator and Legislation Office

Corrective measures:
<ul style="list-style-type: none"> ■ The Legislation Office timely informs the coordinators of the Regulatory impact assessment when the meeting will be held ■ The Legislation Office officially informs the expert bearer of the regulation creation about the meeting ■ Regular informing of the coordinators of the Regulatory impact assessment by e-mail lists and other appropriate information exchange methods ■ Legislation Office officially informs the expert bearer of the regulation creation on non-participation of the appointed coordinators in the development of the Regulatory impact assessment system and requires official answer on that subject o

Risk 3.2.

Risk:	Impact:
Difficulties in the implementation of the education programs on the area of the Regulatory impact assessment due to the lack of material and financial resources of the education organisers	<ul style="list-style-type: none"> • Lower quality level of the Regulatory impact assessment Statement • Non-participations of the stakeholders in the

	<p>Regulatory impact assessment process due to the non-informing i.e. lack of active inclusion in the process</p> <ul style="list-style-type: none"> • Inability to strengthen administrative capacities for the process implementation
--	--

Corrective measures:

- In cooperation with the education organisers (for example State school for the public administration) set education priorities for each year in order to ensure financial resources for priority education programs
- In cooperation with the international institutions (for example SIGMA, ReSPA) ensure education programs in the area of the Regulatory impact assessment
- In cooperation with the interested expert bearers of the regulation drafting and interested stakeholders establish cooperation in order to implement internal education cycles

Risk 3.3.

Risk:	Impact:
--------------	----------------

<p>Guidelines for the implementation of the Regulatory impact assessment process as well as other additional materials are not updated</p>	<ul style="list-style-type: none"> • Lower quality of the Regulatory impact assessment Statement • Non-participation of the stakeholders in the Regulatory impact assessment process due to lack of informing i.e. they are not actively included in the process • The guidelines and other additional materials don't reflect good practice in the implementation of the Regulatory impact assessment process
--	---

Corrective measures:

- Legislation Office minimal 2 times per year analyses the need for the update of the Guidelines and adjust them if needed
- Training plan and education programs must be analysed and updated based on the needs for education
- Establish cooperation with international institutions (for example SIGMA) in order to update education programs

Priority Objective 4: To ensure active implementation of the Action plan to ensure strategic direction with implementation of the corrective measures, if needed.

Risk 4.1.

Risk:	Impact:
--------------	----------------

<p>Non-participation of all appointed coordinators of the Regulatory impact assessment on the regular annual meetings of the Regulatory impact assessment coordinators on which they are discussing regarding implementation difficulties and corrective measures for the improvement of the process</p>	<ul style="list-style-type: none"> • Lack of involvement of all coordinators in the monitoring of the development of the Regulatory impact assessment system • Lack of informing and participation in the exchange of good practice between coordinators and Legislation Office, which indirectly effects activities in the Action
--	--

	<p>plan</p> <ul style="list-style-type: none"> • Lack of involvement in the discussion on the subject of corrective measures and improvement of the Regulatory impact assessment system by activities in the Action plan
--	---

Corrective measures:

- Legislation Office timely informs the coordinators of the Regulatory impact assessment that the meeting will be held
- Legislation Office officially informs the expert bearer of the regulation drafting that the meeting will be held
- Regular informing of the coordinator of the Regulatory impact assessment by e-mail lists and other appropriate information exchange methods

Risk 4.2.

Risk:	Impact:
--------------	----------------

<p>Lack of updating in the data and information collection process in relation to the planning of the legislation and Regulatory impact assessment process</p>	<ul style="list-style-type: none"> • Problems in the implementation of the Strategy and Action plan • Problems in the monitoring of the planning of the legislation and Regulatory impact assessment process • Lower quality level of statistical data and information related to the development of the Regulatory impact assessment system
--	---

Corrective measures:

- Legislation Office collects general information on planning of the legislation and Regulatory impact assessment process and it process it for the reporting needs on the subject of the Strategy and Action plan implementation
- Coordinators of the Regulatory impact assessment collects information on progress of the Regulatory impact assessment processes and deliver them to the Legislation Office if needed i.e. on their
- Exchange of data and information for the needs of the regular annual meetings of the Regulatory impact assessment coordinators