



Indicators of Regulatory  
Policy and Governance  
EUROPE 2019  
Croatia

# Croatia

## Overview and recent developments

Croatia has made great strides in strengthening its regulatory policy framework. In 2017, a new RIA law entered into force, requiring an initial RIA to be carried out for all primary laws. The law does not include subordinate regulations. A full RIA has to be conducted for laws with a potentially high impact, requiring regulators to assess a broad range of environmental and social impacts. If deemed necessary, a test analysing the impacts on SMEs is undertaken which focuses mostly on administrative costs. In practice, however, RIAs are not of sufficient quality due to a lack of analytical capacity in ministries. Croatia could consider creating analytical centres with “RIA champions” in the most important ministries in order to strengthen capacities.

Croatia systematically engages with stakeholders. It makes use of *ad hoc* working groups including representatives from civil society, businesses and

academia early in the process. Major draft regulations are then published for consultation on the interactive consultation portal *e-Savjetovanja* for a minimum of 30 days. RIA statements are also made available alongside major draft primary laws for comments. The body drafting the regulation has to publicly address all comments received during the consultation period.

*Ex post* reviews of regulation are limited to administrative burden reduction and *ad hoc* recommendations from working groups. In 2017, the Ministry of Economy introduced the “Action Plan for Administrative Burden Reduction” with the purpose of creating investment incentives and providing easier market access. Croatia should envisage targeted *ex post* reviews focusing on the performance of regulations (“fitness checks”) or on particular sectors to improve the quality of regulations.

### INSTITUTIONAL SETUP FOR REGULATORY OVERSIGHT

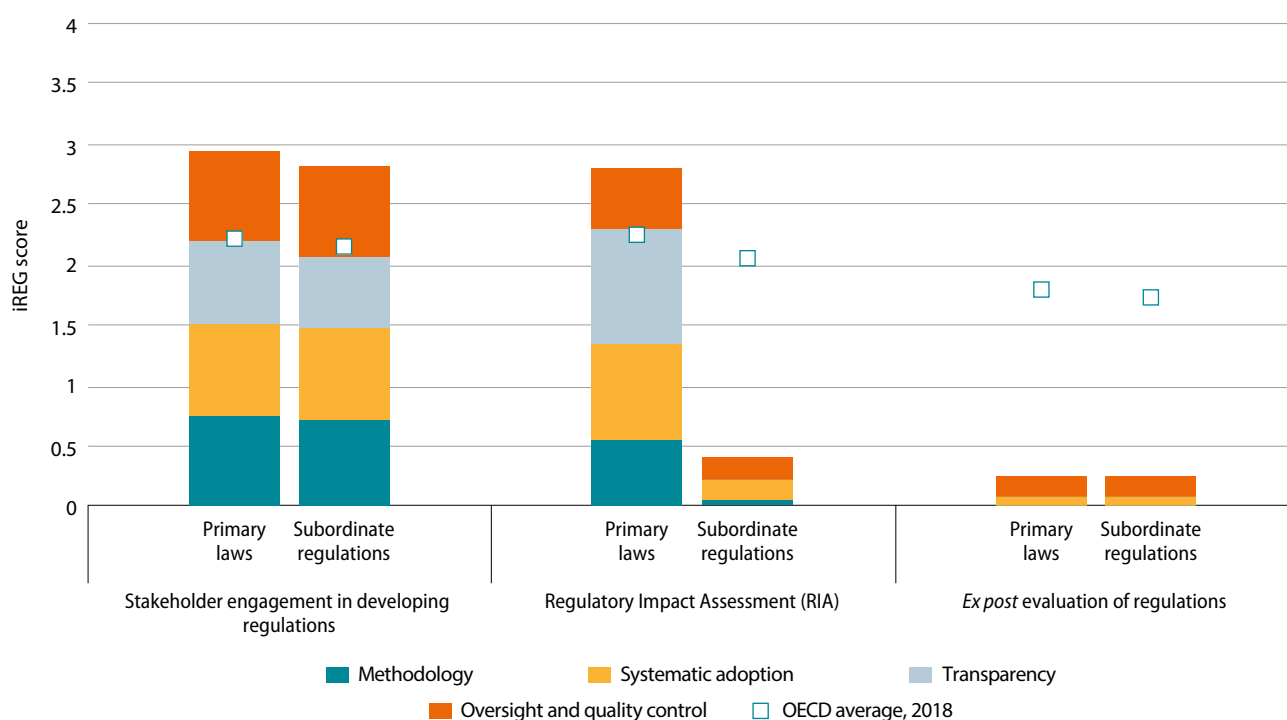
The **Government Legislation Office (GLO)** located in the centre of government is the central co-ordination body for RIA. It reviews all preliminary assessments and full RIA reports, provides advice and can ask administrators to revise RIAs if the quality is deemed insufficient. The GLO is also responsible for ensuring the legal quality of regulations and for preparing the Annual Legislative Activities Plan. The **Ministry of Economy, Entrepreneurship and Crafts** reviews the impacts of regulations on small- and medium-sized businesses by conducting an SME-test. The ministry co-ordinates the “Action Plan for Administrative Burden Reduction” and provides guidance and training to civil servants on the SME-test and the Standard Cost Model. The **Government**

**Office for Cooperation with NGOs** co-ordinates the central consultation portal *e-Savjetovanja*.





## INDICATORS OF REGULATORY POLICY AND GOVERNANCE (IREG): CROATIA, 2018



Note: The more regulatory practices as advocated in the *OECD Recommendation on Regulatory Policy and Governance* a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (91% of all primary laws in Croatia).

Source: *OECD Indicators of Regulatory Policy and Governance (iREG) 2018*, <http://oe.cd/ireg>.

## REQUIREMENTS TO USE REGULATORY MANAGEMENT TOOLS FOR EU-MADE LAWS: CROATIA

Stakeholder engagement	Regulatory impact assessment		
<b>Development Stage</b>			
The government facilitates the engagement of domestic stakeholders in the European Commission's consultation process	No		
<b>Negotiation stage</b>			
Stakeholder engagement is required to define the negotiating position for EU directives/regulations	No	RIA is required to define the negotiating position for EU directives/regulations	No
Consultation is required to be open to the general public	No		
<b>Transposition stage</b>			
Stakeholder engagement is required when transposing EU directives	Yes	RIA is required when transposing EU directives	Yes
The same requirements and processes apply as for domestically made laws	Yes	The same requirements and processes for RIA apply as for domestically made laws	Yes
Consultation is required to be open to the general public	Yes	RIA includes a specific assessment of provisions added at the national level beyond those in the EU directives	No
		RIA distinguishes between impacts stemming from EU requirements and additional national implementation measures	No

Source: *OECD Indicators of Regulatory Policy and Governance (iREG) 2018*, <http://oe.cd/ireg>.

## THE OECD REGULATORY INDICATORS SURVEY AND THE COMPOSITE INDICATORS

The data presented in the *2019 Better Regulation Practices across the EU report* are the results of the 2014 and 2017 indicators of Regulatory Policy and Governance (iREG) surveys. The results from these surveys for OECD members and accession countries as well as the European Union have also been presented in the 2015 and 2018 Regulatory Policy Outlooks. Composite indicators and country profiles for the five EU countries that are not members of the OECD are published for the first time and are solely based on the data from the 2017 iREG survey.

The Regulatory Indicators Survey investigates in detail three principles of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance: stakeholder engagement, regulatory impact assessment (RIA) and *ex post* evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- **Systematic adoption** which records formal requirements and how often these requirements are conducted in practice
- **Methodology** which gathers information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- **Oversight and quality control** records the role of oversight bodies and publically available evaluations; and
- **Transparency** which records information from the questions that relate to the principles of open government e.g. whether government decisions are made publically available.

The data underlying the composite indicator reflect practices and requirements in place at the national level of government, as of 31 December 2017. Whilst the indicators provide an overview of a country's regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the Recommendation. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (<http://oe.cd/ireg>).

Related links:

- **Full report: Better Regulation Practices across the European Union**
- **Indicators and underlying data and methodology**
- **Regulatory Policy Outlook 2015 and Regulatory Policy Outlook 2018**
- **2012 Recommendation of the Council on Regulatory Policy and Governance**
- **OECD Measuring Regulatory Performance Programme**
- **OECD work on regulatory policy**

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 <http://oe.cd/ireg>

