

STATE ADMINISTRATION REFORM
STRATEGY
for the period 2008 – 2011

March, 2008

TABLE OF CONTENTS

INTRODUCTION	1
I. The state administration we want (vision and goals of a modern administration).....	4
1. Enhancing the efficiency and economy of the state administration system	4
2. Improving the quality of administrative services	4
3. Achieving openness and responsiveness of state administration bodies	5
4. Strengthening the standards of the rule of law	5
5. Strengthening of social sensitivity in state administration and conduct towards the citizens	6
6. Enhancing the level of ethics in civil service and reducing corruption	6
7. Application of modern IT technology.....	7
8. Integration of the Croatian state administration in the European administrative area	8
II. Main results in the reform of the political system and state administration thus far	8
1. The political system	8
2. The state administration reform	11
III. Basic areas and directions of the state administration reform	22
1. Structural adjustments of the state administration system: from structure to good governance	22
1.1. Reorganisation of the state administration aimed at increasing effectiveness and cutting costs	22
1.2. Improving coordination and harmonisation in the work of the state administration bodies	24
1.3. Responsiveness of administration to the citizens and participation of the citizens and the civil society	25
2. Strengthening the quality of programmes, acts and other regulations: an improved legal system	26
2.1. Strategic planning	27
2.2. Development of programmes (conceptual design, strategies, political recommendations)	27
2.3. Impact assessment	28
2.4. Implementation of laws	27

3. Civil service system: A modern civil service	31
3.1. De-politicisation and professionalisation of the civil service	31
3.2. Improvement of the system of development and human resources management in the civil service	31
3.3. Combat against corruption and strengthening of the level of ethics in the civil service	32
3.4. Establishment of the performance-based remuneration system	33
4. Education and training of civil servants: knowledge, skill and competencies.....	35
4.1. Establishment of the efficient system of continuous education and training of civil servants	35
4.2. Establishment of an adequate administrative training system adapted to the state administration requirements	36
5. Simplification and modernisation of administrative procedures: e-Administration..	39
5.1. Simplification of administrative procedures and easier exercise of rights of clients	39
5.2. Strengthening the role of electronic administration in economic development	41
IV. Implementation of strategic measures	42
1. Principles and priorities	42
2. Competent authorities, achievement methods and timeframe	44
2.1. Structural adjustments of the state administration system	44
2.2. Improving the quality of the programmes, acts and other regulations	45
2.3. Civil servants system	47
2.4. Education and training of civil servants	48
2.5. Simplification and modernisation of administrative procedures	49
2.6. Supervision of implementation of the state administration reform	50
3. Resources	51
V. Management, supervision and evaluation of the results of strategic measures	52
VI. List of abbreviations	53

INTRODUCTION

Public administration represents one of the key strategic areas of reform and continuing efforts of the Government of the Republic of Croatia. Modernisation of public administration, its complete professionalisation and providing swift and reliable public services is a necessary element of a favourable **entrepreneurial environment**, and a prerequisite for ensuring a **better standard** for all citizens. Administration that is reliable, open transparent and responsive to the citizens is also important for the **accession of the Republic of Croatia to the European Union**. The administration must bear a huge burden of harmonisation of the Croatian legal system with the European, and it must accept the European standards across the entire public sector. The forthcoming period 2008 – 2011 is particularly important for the creation of a new public administration.

The Government of the Republic of Croatia determinedly advocates and is creating the prerequisites for achieving the **vision of a modern public administration**. This vision includes a series of goals which are accompanied by specifically determined **indicators** of achievement, which will serve for the monitoring and supervision of reform efforts. These goals are as follows:

- Increasing the **efficiency and economy** of the state administration system
- Enhancing the level of **quality** of administrative services
- Achieving **openness and responsiveness** of the state administration bodies
- Strengthening the standards of the **rule of law**
- Enhancing **social sensitivity** in the state administration and conduct towards the citizens
- Increasing the level of **ethical** behaviour in the civil service and reducing corruption
- Applying modern **IT technology**
- Including the Croatian state administration in the **European administration area**.

In the former period, the Croatian Parliament, the President of the Republic of Croatia, the Government of the Republic of Croatia, and all state administration bodies took part in developing and accomplishing a number of significant and far-reaching reforms in the state administration and public sector. On 31 January 2006, the Prime Minister of the Republic of

Croatia presented the Proposal of the State Administration Reform Strategy in the Republic of Croatia in the Round Table held in the Croatian Academy of Sciences and Arts¹.

Success that was achieved afterwards is significant and indisputable. Providing for access to information in the public sector, personal data protection, strengthening of the position of national minorities, strengthening of the local self-government, better regulation of the election system, organisational and other changes in the state administration, combat against corruption, creating the prerequisites for an efficient system of human resources management and development in public administration, training of civil servants, simplification of administrative procedures and consolidation of regulations, and massive introduction of IT technology in administration, **are only some of the results** which have to be mentioned.

The Government of the Republic of Croatia is committed to further reform of the state administration that includes **five main directions**:

- Adjustment of the state administration system will enable the transition from the principle of structure to the **principles and practice of good governance in line with the best European standards**. This includes cutting down on the size of the state administration, enhancing efficiency and economy, reorganisation of the Government's professional services, improvement in coordination, openness and participation of the citizens.
- The measures for improving the quality of programmes and regulations will provide for an **improved legal system**. This particularly relates to the strategic planning measures, creation of programmes, assessment of impact of the new regulations and implementation of legal regulations
- The new civil servants system will provide for a **modern civil service**. In the process of forming of this system the emphasis is put on de-politicisation and professionalisation measures, human resource development and management system, combat against corruption and strengthening professional ethics of the civil servants, merit based system incentives, and reform of payroll in public administration.
- Special prominence is given to **education and training of civil servants for the purpose of acquiring knowledge, skills and competences**. A Professional training

¹ The Proposal for the State Administration Reform Strategy in the Republic of Croatia was published in 2006 in the book entitled "Croatian State Administration Reform", issued by the Croatian Academy of Sciences and

system will be ensured and an adequate system of administrative training will be set up.

- **Simplification and modernisation of administrative procedures** and establishing **e-Administration** will ensure a reliable and quick public administration support to the citizens and businesses.

The Government of the Republic of Croatia is committed and determined to continue with the process the state administration reform, while the Central State Office for Administration will remain in charge of the operational aspect. A special role in the process of modernisation of the Croatian public administration is envisaged for the **National Council for the Evaluation of State Administration Modernisation**, which will ensure the ongoing professional and political support of the highest quality for the reform.

I. THE STATE ADMINISTRATION WE WANT

(VISION AND GOALS OF A MODERN ADMINISTRATION, INCLUDING IMPLEMENTATION MONITORING INDICATORS AND STATE ADMINISTRATION REFORM ASSESSMENT INDICATORS)

1. Enhancing the efficiency and economy of the state administration system

The ratio between the input values and output results in the state administration system needs to be considerably improved, while the services have to be delivered more quickly, in the interest of the citizens, entrepreneurs and all other stakeholders (efficiency). A certain level of administrative services has to be achieved at lower cost, and the total expenses of the functioning of the state administration have to be reduced (economy). The total payroll expenditure from the State Budget must not exceed 10% of gross domestic product (GDP) including, in accordance with the EU calculation methodology, the grey economy. These goals may be achieved primarily by changing the qualification structure of the civil servants. It is essential to increase to share of civil servants with university qualifications, and to significantly increase recruitment of civil servants from the appropriate profession, predominantly graduates of public administration and masters of public administration. The carrying out of functional review in the state administration bodies, including job analysis, will help to identify the possibilities for rationalisation of the state administration system and to reduce the number of civil servants.

In the period included in the State Administration Reform Strategy for the period 2008 – 2011 (hereinafter: the Strategy) it is essential to:

- speed up the settling of administrative procedures so that they are resolved in statutory terms;
- increase the share of graduates of public administration and civil servants with university qualifications, including Masters of Public Administration and related professions appropriate for public administration, and to reduce the number of employees with secondary school qualifications;
- in line with the results and indicators obtained in the functional review of the state administration bodies, gradually adjust the number and structure of civil servants;
- encourage the use of assistance and technical services on the market (outsourcing).

2. Improving the quality of administrative services

The quality of administrative services in the work of state administration has to be significantly improved. This will enhance the level of satisfaction of the citizens, entrepreneurs and other stakeholders that are users of administrative services, the efficacy of the state administration, and it will facilitate operation of the economy and entrepreneurial

activities. The state administration will become a reliable partner that can provide support to the private sector and the community in general.

It is essential to:

- raise the level of legality, competence and quality in the resolving of administrative cases so as to substantially reduce the backlog of administrative disputes;
- introduce and implement methodologically correct annual surveys about the satisfaction of the citizens with administrative services and to analyse their results in the meetings of heads of departments in individual state administration bodies, and at least once a year discuss them at the session of the Government of the Republic of Croatia;
- increase the number of administrative inspection reviews so that each state administration body is checked at least once a year. This requires considerable strengthening of administrative capacity of the administrative inspection at the Central State Office for Administration;
- establish the obligation to submit once a year reports on the operation of all central state administration bodies to the Government of the Republic of Croatia and to establish the measures for further enhancement of quality and reliability of administrative services.

3. Achieving openness and responsiveness of state administration bodies

Citizens must have open access to the information and services in the state administration, and they must have at their disposal efficient mechanisms for filing complaints and giving proposals. The information must be easily accessible to the citizens, in a clear and easily understandable form. Openness and responsiveness of state administration to the citizens' interests is one of the fundamental conditions for the citizens' satisfaction with administration, and also a presupposition for the legitimacy of the state administration in modern democratic countries. Even though numerous results have been achieved, it is necessary to continue undertaking further measures to enable better relations between the citizens, other entities and state administration bodies.

To that end it is essential to:

- provide for the solution of all proposals, complaints and queries of the citizens in the legally stipulated period, regardless of whether these were lodged in writing, orally for the records, electronically or in any other way;
- publish concise brochures for the citizens instructing how to use administrative services;
- present to the citizens the typical forms of corruption and conduct a media campaign encouraging the reporting of corruption;
- publish reports on the work of all state administration bodies on the web sites;
- continue with the training of civil servants regarding the right of access to information from the public sector;
- advertise about the right of access to the public sector information in the media.

4. Strengthening the standards of the rule of law

The rule of law is one of the fundamental principles of the Constitutional and legal system in the Republic of Croatia, as well as the European administrative area where Croatia is integrating. It is necessary to strengthen the standards of the rule of law, especially in the cases where the state administration decides on the rights, obligations and legal interests of the citizens, and relative to the regulations comprising the Croatian legal system.

Legal security and predictability of the state administration, good and publicly discussed laws, compliance with the Constitutional framework and accepted international treaties, the principle of legality in all aspects, impartiality and non-discrimination are crucially important for achieving the rule of law.

In order to enhance the standards of the rule of law in the period of implementation of this Strategy, it is essential to:

- reduce the number of administrative cases where first instance decisions prove to be illegal or irregular when deciding on appeal;
- further revision in reducing the number of subordinate regulations;
- introduce the position of the Chief Legal Advisor in all central state administration bodies.

5. Strengthening of social sensitivity in state administration and conduct towards the citizens

In compliance with the fundamental Constitutional stipulation that the Republic of Croatia is a social state and social justice being one of the highest values, the state administration must be socially sensitive, especially in its conduct towards the citizens. Moreover, it also has to provide for the achievement of Constitutional rights in other ways, primarily through an open approach to the recruitment in the civil service for handicapped persons and other persons with special needs.

During the period of implementation of this Strategy, it is essential to ensure:

- the exemption from payment or reducing the payment of administrative fees for certain categories of citizens with special needs and low income;
- free legal aid in the settling of administrative cases for certain categories of citizens with special needs and low income;
- recruitment of handicapped persons and other categories of citizens with special needs, and partially enabling working in the civil service from home.

6. Enhancing the level of ethics in civil service and reducing corruption

Corruption is one of the gravest problems in the public sector in modern states, especially in the transitional countries. The problem of high perception of corruption in the public sector is highlighted both within Croatia and by international organisations, and it is

specially emphasised by the European Union. Corruption destroys the basis of a democratic and legal state, it blocks free entrepreneurial activity, it undermines the economic system, it is the basis for numerous other illicit activities, it leads to criminal activities, it implies that the public sector has been seriously breached by persons having illegal powers and wealth, etc. It is vital to undertake active, systematic and clear measures in all parts of the public sector, including the state administration, to reduce the corruption and the perception of corruption to the minimum. Strengthening of ethical standards and training of civil servants have proved as a suitable, but only one of the means to combat corruption.

Strengthening of ethical standards and reducing corruption will become evident during the implementation of this Strategy, in particular through:

- obligatory removal from the civil service and stricter disciplinary sanctions in the cases of corruption and other most serious breaches of official duty;
- strengthening of the civil service tribunals by increasing the professional level of their members;
- implementation of training courses on strengthening ethical standards of civil servants;
- legalisation of protection of those civil servants who warn about and report corruption and unethical conduct in the state administration bodies (“whistle blowers”);
- capacity strengthening of the Ethics Department of the Central State Office for Administration and introducing the Ethics Commissioner in all state administration bodies;
- appointment of the Ethics Committee consisting of the representatives of civil servants, experts, trade unions and the Croatian Parliament with a view of monitoring the status of ethical standards in the civil service and proposing measures for the improvement thereof.

7. Application of modern IT technology

The application of modern IT technology facilitates and speeds up the functioning of state administration, it improves the coordination within the state administration system, it enables easier communication with the citizens, it narrows down the area for corruption, it facilitates the business of entrepreneurs and other operators in the private sector, it reduces public expenses and has numerous other positive impacts. Despite significant results that have been achieved, it is necessary to continue supplying the state administration with IT equipment, to continue with the development and procurement of appropriate computer software, networking, and education and training of civil servants in the field of IT.

The application of modern IT technology will be provided during the implementation of this Strategy, in particular through:

- posting of e-addresses enabling communication with the citizens on the web sites of all state administration bodies and designating at least one civil servant in each of these bodies who will be responsible for replying to the electronic messages sent by the citizens;
- ensuring complete communication with the citizens electronically, including handing in of applications, requests, and other forms in all state administration bodies, except in the procedures related to the issues of citizen status;
- beginner and advanced IT training courses for civil servants.

8. Integration of the Croatian state administration in the European administrative area

The European administrative area is based on four fundamental principles: the principle of the rule of law, reliability and predictability, the principle of openness and transparency, the principle of responsibility, and the principle of efficiency and effectiveness (*European Principles for Public Administration, OECD-Sigma Paper no. 27*). The European Union endeavours to ensure efficient application of the *acquis communautaire* and equal level of delivery of public services to its citizens in all Member States. That is the reason why it has established the administrative capacity criterion, and it regularly conducts the assessment thereof in all the countries candidates for accession to the Union. As a rule, the assessment in individual areas is conducted until the required European administrative standards have been achieved. Afterwards, the area concerned is exempt from further assessment.

In the European Union, more and more administrative standards are established and codified, in different administrative areas and related to different administrative issues, from the contents of the civil service legislation and administrative procedures to the financial management and creation of programmes and coordination in the Government itself. During the process of accession to the European Union, Croatia should accomplish as many as possible of the European administrative standards. In this way, it will provide for a full inclusion of the Croatian state administration in the European administrative area. At the same time, it will ensure a greater number of higher quality services to its citizens, entrepreneurs, and other entities, as well as to the citizens of the European Union Member States.

II. MAIN RESULTS IN THE REFORM OF THE POLITICAL SYSTEM AND STATE ADMINISTRATION THUS FAR

In the area of the public administration reform there are ongoing activities aimed at modernisation of public administration in accordance with the European Union standards and practice. Public administration reform within the scope of competence of the Central State Office for Administration includes the reform of the political system, reform of the local self-government and the reform of the state administration.

1. THE POLITICAL SYSTEM

1.1. HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

The system for personal data protection has been established:

The Personal Data Protection Agency has been set up and it is responsible for the supervision of personal data processing.

Pursuant to the Personal Data Protection Act (*Official Gazette 103/03 and 118/06*), the Regulation on the procedure for storage and special measures relating to the technical protection of special categories of personal data was adopted (*Official Gazette 139/04*), and

the Regulation on the manner of keeping the records of personal data filing systems and the pertinent records form (*Official Gazette 105/04*).

The Act on the Ratification of the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data and the Additional Protocol to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data regarding supervisory authorities and transborder data flows was adopted (*Official Gazette – International Agreements 4/05*)

The Act on the Ratification of Amendments to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data enabling the accession to the European Communities was adopted (*Official Gazette – IA 12/05*).

Implementation of the Act on the Legal Status of Religious Communities

In the process of implementing the Act on the Legal Status of Religious Communities (*Official Gazette 83/02*), the total of 1876 Catholic Church legal persons were registered, along with 50 religious communities and 756 organisations (425 of which are the organisations of the Serbian Orthodox Church in RC, 100 organisations of the Advent Christian Church in RC, 58 organisations of Evangelical (Pentecostal) Church in RC, 55 organisations of the Union of Baptist Churches in RC, and 118 organisations of other religious communities).

The right of access to information

The system of the right of access to information has been set up. In October 2004, pursuant to the Access to Information Act (*Official Gazette 172/03*), the Ordinance on the organisation, contents and way of maintaining the official register on exercising the right of access to information was adopted (*Official Gazette 137/04*). The aim is to enable the citizens to have their requests successfully fulfilled and to get accurate and complete information which is accessible to public authorities.

As of 2004, the List of public authority bodies is published in the Official Gazette.

Public authority bodies have prepared Information catalogues listing the information which public authorities possess, have access to or supervise, where the citizens can learn what information can be obtained from which public authority bodies. (The Catalogues are published on the web sites of all public authority bodies).

A person in charge of the right of access to information has been appointed in each public authority body and is responsible for ensuring the right of access to information and maintaining of the official register on the requests for access to information, for the purpose of recording complete, accurate and updated information. (The Decision on the appointment of information officers is also published on the web site of each body).

The training for the implementation of the Access to Information Act for public information officers at national and local level has been ongoing since December 2005.

1.2. THE ELECTION SYSTEM

The reform of the election system in the Republic of Croatia is under way, aimed at harmonising it with the existing institutes in the states with a developed and long-term tradition in democracy.

The Act on Special Rights of the President of the Republic of Croatia after Expiration of Office was adopted (*Official Gazette 105/04*) regulating the special rights of the President of the Republic of Croatia after expiration of the term of office.

The Act on the Financing of Election Campaign for the Election of the President of the Republic of Croatia was adopted (*Official Gazette 105/04*) regulating the manner of collecting funds for the financing of the election campaign, activities which are considered election campaign for the election of the President of the Republic of Croatia, i.e. the conditions under which the funds may be used, and stipulating public announcement of the funds collected for the election campaign expenses.

In April 2006, the Act on the State Election Commission was adopted (*Official Gazette 44/06*), whereby the State Election Commission was established as a permanent and independent state body whose jurisdiction is related to the parliamentary, presidential, and local elections, and elections for the councils and representatives of national minorities in the local and regional self-government units, and conducting referendums. In February 2007, the Act on Amendments to the Act on the State Election Commission was adopted (*Official Gazette 19/07*) stipulating that the President of the Commission shall be President of the Supreme Court, while two Deputy Presidents shall be elected from the judges of the Supreme Court. This amendment to the Act increased the number of Deputy Presidents from two to four, so that the permanent composition of the Commission consists of four Deputy Presidents and four Commission members. Two Deputy Presidents who are not judges and members of the Commission carry out their duty in the Commission professionally.

In December 2006, the Act on the Financing of Political Parties, Independent Lists and Candidates was adopted (*Official Gazette 1/07*), which regulates the manner and conditions for acquiring the funds for the financing of political parties, transparency of the sources of funding and political parties' expenses, supervision of financial transactions, and it lays down the sanctions for actions which are in breach of the provision of the Act, thus providing for effective mechanisms for strengthening financial discipline of political parties and it reducing the possibility for corruption.

The Transfer of Power Act was adopted (*Official Gazette 94/04*) which lays down the procedure for the transfer of power, it determines the limitations to the powers of the Government of RC from the day of calling the parliamentary elections until taking office by the Government after the parliamentary elections, the status of certain state officials and other appointed persons, and it stipulates the obligations, deadlines and conduct related to the transfer of power.

In February 2007, the Act on Amendments to the Transfer of Power Act was adopted regulating the transfer of executive powers at the local level, and in line with the depoliticisation of the civil service reduces the number of functions for which putting the mandate at disposal is mandatory, and it lays down the sanctions for conduct which is contrary to the Act.

In April 2004, the Act on Amendments to the Act on the Prevention of Conflicts of Interest in the Exercise of Public Office was adopted (*Official Gazette 48/05*). It lays down the obligation for officials to report on how they acquired assets and sources of funding used for buying movable and immovable property, which the official is obliged to report under the Act. In December 2006 the Act was amended again (Act on Amendments to the Act on the Prevention of Conflicts of Interest, *Official Gazette 141/06*) in order to align it with the Civil Servants Act (*Official Gazette 92/05 and 142/06*) as regards the de-politicised functions.

In February 2007, the new Voters' Lists Act was adopted (*Official Gazette 19/07*).

In October 2007, the Croatian Parliament passed the Act on the Election of Heads of Municipalities, Mayors, County Prefects and Mayor of the City of Zagreb, which regulates the manner and procedure of direct election of executive power holders at local and regional level.

Also in October 2007, the Croatian Parliament adopted the Act on Amendments to the Act on Local and Regional Self-Government, regulating the relation between directly elected executive power holders at local and regional levels (mayors, heads of municipalities, county prefects) and representative bodies of local and regional self-government units.

In addition, in October 2007 the Croatian Parliament passed the Act on Amendments to the Act on the Election of Representatives to the Representative Bodies of the Units of Local and Regional Self-Government, which regulates in detail the manner of and deadlines for submitting resignations, thus preventing the practice, recorded so far, of submitting "blank resignations".

2. THE STATE ADMINISTRATION REFORM

Organisational system and modernisation of state administration

The number of ministries has been reduced (from 19 to 15). In the process of de-politicisation the number of officials' posts in the Government and central state administration bodies has been reduced (approximately 200 posts of officials will become head civil servants), representing the first important developments in the rationalisation process.

Central state offices have been set up for the purpose of carrying out the state administration tasks in the administrative areas which are of special interest for the more efficient performance of the Government of the Republic of Croatia.

The position of Deputy Minister in the Ministries has been cancelled and the position of State Secretaries has been introduced.

The possibility has been introduced to appoint a special advisor that would not be employed full-time, and whom the minister may appoint with the approval of the Prime Minister. This has opened up a possibility for greater cooperation with experts in certain legal fields who could, through occasional cooperation, help in solving the temporary or incidental

issues that are important for the carrying out of tasks within the ministries' scope of competence.

In January 2004, the Regulation on the principles for the internal organisation of the state administration bodies was amended, whereby the provisions on the conditionality of setting up organisational units in terms of the specified number of employees has been revoked, thus contributing to a more efficient internal organisation and better task management in the state administration bodies.

Within the framework of the PAL programme, a trial functional review of organisational structures and management has been conducted in two ministries (the Ministry of Agriculture, Forestry and Water Management and the Ministry of Health and Social Welfare), and two state administration offices in counties (the State Administration Office in Međimurje County and the State Administration office in Istria County), and recommendations for rationalisation have been drafted. Based on the results of the functional review the Regulation on the internal organisation of the state administration offices in counties was amended so as to rationalise the organisational structure in the state administration offices in counties where a functional review pilot project was implemented, and the number of civil servants in the State Administration Office in Međimurje County has been reduced.

Functional review is underway in ten central state administration bodies and 5 selected state administration offices in counties, with the support of the Swedish Government. In June 2006, the Agreement was concluded between the Republic of Croatia and the International Bank for Reconstruction and Development on the Swedish International Development Agency's (SIDA) Grant for a Public Administration Reform.

Funds from the Grant will be used to finance the following activities:

- providing assistance in the drafting of the Act on Salaries of Civil Servants;
- implementation of an in-depth analysis of the system of payment in the local self-government and assistance in the revision of the legal framework on salaries the local self-government employees;
- providing assistance for the review of the Civil Service Act and salaries in civil service;
- carrying out functional review in selected central state administration bodies (10) and their subordinate agencies, and in the selected state administration offices in counties (5); and
- providing assistance in the process of restructuring of the state administration reform bodies and agencies based on the results obtained in functions reviews.

The amendments to the Standing Orders of the Government of the Republic of Croatia introduced obligatory assessment of the fiscal impact and, where appropriate, as assessed by the Regulatory Impact Assessment Coordination Office the appraisal of the social and environmental impact, and the impacts on the economy of all the proposed acts and other regulations, for the purpose of strengthening the quality and fiscal acceptability of these acts and regulations. The assessment of the fiscal impact of acts and other regulations has been carried out since 2005.

Strengthening administrative capacities in the fight against corruption

With a view of strengthening administrative capacities in the fight against corruption, in November 2006 the Ethics Department was set up at the Central State Office for Administration, staffed with 10 servants, to carry out professional tasks related to the application of ethical principles in public administration, personal behaviour of civil servants and civil service employees, the potential conflict of interest, accepting of gifts and potential corruptive and other unethical conduct. The Department became operational at the beginning of 2007. The preparations are underway to set up a free telephone line and to designate civil servants in other state administration bodies who will cooperate with the Ethics Department.

Code of Positive Practice

In February 2007, pursuant to the Act on Associations (*Official Gazette 88/01 and 11/02*), the Croatian Parliament adopted the Code of Positive Practice, Standards and Criteria for Financial Support to the Programmes and Projects of Associations (*Official Gazette 16/07*).

The Code specifies the basic standards and principles of conduct of the state administration bodies and offices of the Government of the Republic of Croatia in the procedure for approving financial support from the State budget to associations for the implementation of their programmes and projects.

With a view of more efficient use of available public resources and rational and transparent use of the State budget funds, administration bodies and offices of the Government of the Republic of Croatia comply with the provisions of the Code in the process of allocation of the funds for the implementation of projects and programmes.

Civil servants system

The new Civil Servants Act has been adopted (*Official Gazette 92/05 and 142/06*) and aligned with the European Union standards. The new Civil Servants Act provides for the achievement of the main goals aimed at greater expertise of administration through a clear-cut division between the political and administrative positions, integration of the system of employment planning in the civil service with a view of achieving the planned and cost-effective use of budgetary funds, and to ensure better, more transparent (clear) methods and practice of the civil servants' management, including recruitment, selection, career development and promotion.

13 subordinate regulations have to be adopted to achieve full implementation of the Act, 11 of which were adopted during 2006 and 2007, as follows:

1. Regulation on announcing and implementing a public competition and internal notice in the civil service (*Official Gazette 8/06 and 8/07*)
2. Regulation on the organisation and method of work of the Civil Service Committee (*Official Gazette 8/06.*)
3. Regulation on posting civil servants outside the civil service (*Official Gazette 33/06.*)
4. Regulation on the possibility for civil servants to work at a separate location and to work part-time (*Official Gazette 33/06*)
5. Civil Servants' Code of Ethics (*Official Gazette 49/06*)
6. Regulation on the procedure for sitting and the curriculum of the State Civil Service Examination (*Official Gazette 61/06*)

7. Ordinance on the content of special reports evaluating the work and efficiency of civil servants (*Official Gazette 78/06 and 128/06.*)
8. Regulation on the content and manner of keeping personal files and the Central Register of civil servants and civil service employees (*Official Gazette 113/06*)
9. Regulation on the forms and manner of and conditions for the training of civil servants (*Official Gazette 10/07*)
10. Regulation on job classification in the civil service (*Official Gazette 77/07*)
11. Regulation on the manner of and conditions for the promotion of civil servants (*Official Gazette 77/07*)
12. Ordinance on unified standards and criteria for defining job titles and descriptions in the civil service.

The adoption of the Regulation on job classification and salaries of civil service employees will be passed simultaneously with the Act on the Salaries of Civil Servants in 2008.

System of salaries in civil service

With a view of comprehensive reform in the civil service system, the new system of salaries in the civil service is also being developed.

An analysis of the salaries and remuneration in the civil service was carried out in 2005 within the framework of the PAL programme of the World Bank, for the purpose of developing a new system of salaries that will ensure more consistency in the remuneration in the civil service, a clear insight into the system of salaries and remuneration, and introduction of the merit based and performance based elements. The results obtained in the projects of assessment of the system of salaries and remuneration will serve as the starting points for the drafting of the Act on Salaries.

In March 2006, the Croatian Government established the Commission for preparing the Draft Proposal of the Act on the Salaries of Civil Servants. Members of the Commission are the representatives of the state administration bodies and the representatives of the trade union of civil servants.

The Proposal of the Act was sent to procedure to the Government of the Republic of Croatia, and currently a preparation of the simulation to calculate payroll account in the state administration bodies is under way. The adoption of the Act is planned in 2008.

Development of human resources in state administration

For the purpose of ensuring the conditions for improvement in the management and development of human resources in the civil service, the Department for the Planning, Development and Management of Human Resources in the Civil Service was established at the Central State Office for Administration in 2004.

During 2006, the Department became fully staffed, employing 10 civil servants as planned.

Likewise, in almost all state administration bodies which employ more than 50 civil servants and civil service employees, the human resources development and management

units have been set up, thus providing for the presuppositions for further improvement in the human resources management and development.

The Civil Service Committee has been established as an independent body responsible for passing decisions in the matters relating to the rights and obligations of civil servants in the second instance (decisions on appeals against the decisions on the civil service relations passed by the heads of state bodies). The Committee started work on 1 April 2006, and by resolving appeals it controls the legality of recruitment procedures.

In August 2006, the Government of the Republic of Croatia adopted the Decision on establishing and maintenance of the service for centralised payroll accounts and human resources management for all state administration bodies. Relating to the Decision, the Project Directorate and the Main Project Team were set up for the purpose of its implementation.

The education of analysts of jobs description in the state administration continued in 2006 and currently there are 57 analysts. Training is carried out for the purpose of harmonisation of the rules on the internal order with the provisions of the regulations on jobs classification.

As of 2006, the Civil Servants Act has established the obligation to adopt the Civil Service Employment Plan. The first Civil Service Employment Plan was adopted in 2006 for all state administration bodies, professional services and offices of the Government of the Republic of Croatia. Likewise, at the beginning of 2007 the Civil Service Employment Plan for 2007 was adopted envisaging, for the first time, recruitment of the members of national minorities.

Education of civil servants

With a view of the ongoing professional training and education of civil servants, the Civil Service Training Centre was set up at the Central State Office for Administration as the central unit for the training of civil servants in the Republic of Croatia. (At the end of February 2005, reconstruction and renovation works were completed, while IT and other technical equipment was supplied and set up during April and May 2005, immediately followed by the commencement of training).

In October 2004, the Strategy of professional training and development of civil servants was adopted.

The Civil Service Training Centre became fully staffed during 2006 and 2007. With amendments to the Regulation on the internal organisation of the Central State Office for Administration, in December 2005 the number of employees was increased from 4 to 13, and currently the Centre employs all 13 civil servants and civil service employees.

During 2006, 4565 civil servants took part in different professional training and education activities that were held at the Centre, in cooperation with other state administration bodies.

In February 2007, the Croatian Government adopted the Civil Service Training Programme for 2007. The initial funds for the implementation of the programme in the amount of HRK 2 million were provided for in the State budget.

In the first semester of 2007, in the organisation of the Civil Service Training Centre, 50 training programs in 6 categories were developed, as follows: 1) Introductory programmes for trainee civil servants (3 developed programmes and 2 more in the process of development until the end of the year); 2) Specialised programmes for separate groups of civil servants (the election system in Croatia, introduction to public policies, fight against corruption, general administrative procedure, public procurement, etc. – 18 developed programmes and 6 in the process); 3) Personal training programmes (e.g. negotiating skills, organisation and heading of meeting, presentation skills, foreign languages, IT, etc. – 22 developed programmes and 5 in the process); 4) Training programme for high-ranking civil servants (this programme was developed with bilateral assistance of the Kingdom of Denmark, the proposed duration is 34 days comprising 7 training modules); 5) Career development programme of civil servants (this programme is developed with the bilateral assistance of the Kingdom of Denmark, the proposed duration is 31 days comprising 6 training modules); 6) Other programmes (e.g. Train the Trainers, scholarships, etc).

In the first half of 2007, approximately 4000 attendees took part in 170 training activities (lectures, seminars, courses, workshops, etc.) provided by the Civil Service Training Centre.

During July and August, the Centre prepared the Implementation Plan for the training activities from September to December 2007. Within the framework of this Plan for general civil service training programmes, it was envisaged to hold more than 60 programmes until the end of 2007. The implementation of the foregoing programmes started in September, and until the end of December 125 training activities were held for approximately 2300 civil servants.

Therefore, in two semesters of 2007, the total of 295 training activities were held (lectures, seminars, courses, workshops, etc.), attended by approximately 6300 civil servants.

For the purpose of implementation of the foregoing plans, the Centre has prepared the catalogues for both the spring and autumn semesters. The catalogues were distributed to all state administration bodies so as to have all the information related to the training programmes readily available. In addition, all the information can also be found on the web site of the Central State Office for Administration (www.uprava.hr), along with the application forms for the training programmes.

For the implementation of training and other own activities, the Centre hired approximately 120 lecturers and trainers, mostly civil servants. As the strategic task of the Centre is to train as many as possible quality trainers, in 2007 the “Train the Trainers” programme was attended and successfully completed by 168 civil servants who met the prerequisites for obtaining the trainer licence.

Apart from this, in the area of training for the civil servants who should provide to the citizens the services by using modern technologies, the Civil Service Training Centre organised in specially authorised ECDL centres (European Computer Driving License –

internationally recognised certificate of computer literacy) training of the trainers, which was completed by 11 civil servants, 5 of whom are authorised to hold the ECDL exams. By signing the agreement on 8 May 2007 with the Croatian Information Technology Society, the national authority responsible for the ECDL licence, the Centre became officially certified as the ECDL test centre.

The Centre organises ECDL courses and exams for each ECDL basic (7) and advanced (4) module. After successful examination a diploma is awarded confirming that the acquired knowledge and is recognised in worldwide. The diplomas can be: ECDL Start (any of the four modules have to be passed), ECDL Basic (seven modules have to be passed) and ECDL Advanced (all 11 exams have to be passed successfully). The basic modules are passed by means of the Croatian automatic testing and examination system – ATES, while the advanced modules are tested in the classical manner.

Simultaneously, the Central State Office for Administration, represented by the Head of the Centre who is also the representative of the Republic of Croatia in the Steering Committee of the Regional School of Public Administration (ReSPA – www.respaweb.eu), participates in all the activities carried out by this institution, and it coordinates the Croatian attendees of the ReSPA activities. It should be emphasised that from 2 to 10 June 2007, ReSPA was the co-organiser of the Dubrovnik Diplomatic Summer School (DDSS) in Dubrovnik, the topic of which was entitled “Economic Diplomacy in South East Europe – Impact of EU Negotiations“, together with the Diplomatic Academy of the Croatian Ministry of Foreign Affairs and European Integration, the Central State Office for Administration (the Civil Service Training Centre), and the Ministry of Foreign Affairs of the Kingdom of Denmark. 23 attendees from 6 SE countries took part in the DDSS, including one participant from Moldova within the framework of the development assistance programme of the Republic of Croatia. The lecturers at the DDSS were eminent Croatian and foreign diplomats and experts in diplomacy and economy, and scholars. During seven days discussions were held on the regional economic cooperation in terms of regionalisation in the globalised world and in the EU, promotion of foreign investment in SE Europe, CEFTA, and economic diplomacy in general. During the seminar, the participants had the opportunity to actively participate in the workshops exchanging their experiences in the foregoing areas related to their countries and institutions they worked for. It should be noted that this was the only activity of ReSPA in the last year, and it was originally the activity of one of the parties to the Protocol of cooperation on the creation of the Regional School of Public Administration, concluded in Brussels on 2 May 2006.

Simplification of administrative procedures

Modernisation of the general administrative procedure

In 2005, the implementation of measures started aimed at amending the General Administrative Procedure Act (*Official Gazette 53/91 and 103/96*) so as to align the Act with the European Union standards. As a separate activity directly related to the CARDS 2003 project “Support to public administration and civil service reform”, SIGMA’s assessment of the alignment of the General Administrative Procedure Act with the EU standards will be the basis for amendments to the Act.

In January 2006, based on the analysis of the legislation in force regulating general and special administrative procedures, the Report on the present standardisation of the general and special administrative procedures in the Republic of Croatia was drawn up.

During 2006, within the CARDS 2003 project “Support to public administration and civil service reform”, 2nd Component “Reform of the general administrative procedure”, the activities in the drafting the new General Administrative Procedure Act were carried out aimed at its modernisation.

In July 2006, a Working Group for preparing the Draft Proposal of the new General Administrative Procedure Act was established, while the adoption of the Act is planned in 2008.

For the purpose of systematic monitoring of settlement of administrative cases according to administrative areas and the administration in general, in July 2006 the State Secretary of the Central State Office for Administration adopted the Instruction for preparing the reports on the settlement of administrative cases in the state administration bodies and administrative bodies in the City of Zagreb and the deadlines for the submission of reports.

In January 2007, the Croatian Government adopted the Guidelines for drafting the new General Administrative Procedure Act in the Republic of Croatia.

In September 2007, the provisional Draft Proposal of the General Administrative Procedure Act was prepared, followed by a comprehensive discussion that will continue in 2008, when the Act will be adopted.

“Hitrorez”

In September 2006 the project “Hitrorez” commenced, whose task is to determine the normative and administrative obstacles and propose the measures for their simplification and removal with a view of promoting the development of entrepreneurship.

A special unit of the Government of the Republic of Croatia in charge of “Hitrorez” has been set up, which cooperates with all central state administration bodies and legal persons with public authority in the implementation of the project.

The first phase of the project has been completed and the result is a list of the regulations in force; the review of these regulations by the competent bodies has also been completed.

The second phase of the project is in progress where independent revision and consultations with the representatives from the economic sector are carried out.

Development of modern electronic business activities

In December 2004, the Strategy for One Stop Shop, or the programme of all in one place was adopted, including the Implementation Plan of the One Stop Shop programme. In April 2005, the amendments to the Financial Agency Act were passed, providing for the legal basis for the implementation of this project. The One Stop Shop (a Hitro.hr project) is aimed

at twenty areas where all the citizens should be enabled to get public services in one place. (The first service to be included in the project was the registration of companies).

The Regulation on establishing the tasks referred to in Articles 4a and 4c of the Financial Agency Act (*Official Gazette* 98/05) was adopted, establishing the services which the Financial Agency is entitled to provide to entrepreneurs and other legal and natural persons under the One Stop Shop project.

As part of the implementation of preparations, creation and publication in electronic form of official templates of the state administration bodies, which the citizens and economic operators may submit through the public telecommunications network, in accordance with the Conclusion of the Government of 20 May 2005, the official forms of the state administration bodies are published in electronic form on the websites of the state administration bodies and can be used in the procedure before the state administration bodies in the same manner as the published and printed forms. The submission of forms electronically will be enabled after the new Regulation on office transactions is adopted, adjusted to the electronic functioning of administration.

The project of computerisation of register of the citizens' status

The process of computerisation of registers continued, based on the single computer programme, by gradually supplying the offices with appropriate IT equipment, i.e. networking or computers in the registry offices. All registry offices in counties, apart from the registry offices in the Dubrovnik-Neretva County, are furnished with appropriate IT equipment. The application has been installed on the ORACLE platform which is suited for connection to the information system of the Central State Office for Administration. Also, all registry offices in counties are to be connected to the computer and communication network HITRONET, in cooperation with the Financial Agency.

The set up of communication links in 20 registry offices in the county centres has been completed. The connection was successfully established through a 128 kbps permanent line and its back-up realised through ISDN link, except in two locations (Krapina and Šibenik).

Providing of ISDN line for all other registry offices is under way as well as connecting of the Central State Office for Administration to HITRONET, thus allowing for the transfer of the data from all registry offices in counties to the central database.

After connecting of the Central State Office for Administration to HITRONET and the transfer of data in the central base, the bodies which perform the tasks of registering the status of citizens will have access to the entire records of the personal status of citizens in the Republic of Croatia (voters' lists, register of citizens and state registers).

The entire connection of the databases on the personal status of citizens and matching of these data and verification of the entries in the computer bases will enable access to these records to other bodies, especially the large systems (Ministry of the Interior, the health sector, tax administration, etc.) for the purpose of verification and use of personal data within the scope of their legally stipulated activity. This part of the project will be carried out in stages, and it calls for comprehensive work in all state administration bodies which are engaged in the tasks related to the personal status of citizens.

Interconnection of all registry offices into a single system will allow access to the registers from all counties.

Until January 2008, the competent offices for personal status of the citizens in the Republic of Croatia had recorded 34,424,194 data entries relating to the personal status of citizens.

As of 15 January 2008, there were 29,944,395 entered persons, of which 21,168,926 were entered in the computer databases, accounting for 70.69% of all entries.

The records of the voters' lists are kept exclusively in electronic form, and according to the last verified voters' list, there are 4,073,516 voters entered in the Republic of Croatia, and 406,284 with residence abroad are entered in the central records.

In the competent offices, there are 10,304 church books with 8,286,811 entries.

In accordance with the Agreement that the Croatian Government signed with the Croatian Bishops Conference, all church books from the parishes in Međimurje County are prepared to be returned. Međimurje County has 167 church books with entries on 321,662 persons.

Church books which are to be returned have been transferred in digital form so that registry offices can continue using digital copies in their day-to-day work; digital copies will also be handed over to the competent diocese.

Church books in Istria and Zadar County are ready to be returned, including 6 counties for the area under the Požega Diocese.

Afterwards the books from other counties will be returned, in accordance with the Agreement this Office has concluded with the Croatian State Archives and the technical capacity (microfilming and digitalisation), which are the prerequisites for the assumed tasks.

All outlined measure and actions taken in the course of implementation of the project of computerisation of the data on the personal status of citizens are aimed at enabling to the citizens the exercise of the right to obtain documents in any place, in the nearest state administration office regardless of where their birth, marriage, death, etc. was entered.

At the same, time, the availability of data and possibility of verification relating to the personal status to other large systems and legal persons with public authority will create the conditions where the citizens will no longer be required to submit documents, and instead the data which used to be proved by the documents will be verified *ex officio* by the competent bodies requiring these data in the process of carrying out their statutory activity.

Availability to the citizens of the data from the voters' lists

The voters' lists, which are maintained as continuous and permanent records, are available for insight on the web site of the Central State Office for Administration during the whole year, and via SMS messages after the announcement of the elections.

Publication of the public registers kept by the Central State Office for Administration on the Office website

On the website of the Central State Office for Administration the following registers are published: the Register of associations and the Register of foreign associations, the Register of national minorities, the Register of political parties, trusts, foundations, religious communities and legal persons of the Catholic Church, which are available for browsing and viewing at www.uprava.hr.

Training of civil servants for the introduction of e-Administration

The Central State Office for Administration and the Central State Administrative Office for e-Croatia, in cooperation with the Faculty of Organization and Informatics from Varaždin, the University of Zagreb, and the University of Paris 1 Pantheon Sorbonne, France, are implementing the project entitled Courses for Institution Building in Croatia – eGovernment (courses for institutional strengthening in Croatia – e-Administration) under the TEMPUS programme. Partners in the project are the London Metropolitan University, Great Britain, Institute of Applied Informatics and Formal Description Methods (AIFB), University of Karlsruhe, Germany, the University of Zilina, Slovakia and the University Mykolas Romeris, Vilnius, Lithuania.

Capacity strengthening of the state administration for providing services to users

The Central State Office for Administration in cooperation with the Central State Administrative Office for e-Croatia, HIDRA, FINA and the Public Procurement Office, works on the project “Enhancing Capacity of Croatian State and Public Administration for Providing User Oriented Service” within Phare 2006 programme.

III. BASIC AREAS AND DIRECTIONS OF THE STATE ADMINISTRATION REFORM

1. Structural adjustments of the state administration system: from structure to good governance

Analysis of the problem and proposals for activities

1.1. Reorganisation of the state administration aimed at increasing effectiveness and cutting costs

a) In comparison to other countries of Middle and Eastern Europe, the number of public servants in respect of the population is not too high. As opposed to that, according to the World Bank Report (Report No. 25434-HR Country Economic Memorandum) from July 2003, the volume of funding for salaries in the public sector with respect to the GDP, when compared to other countries of Middle and Eastern Europe, is very high. According to the World Bank's assessment, one of the possible reasons is too many employees in the non-civil sector. The total of 47,840 civil servants and 5,936 civil service employees¹ are employed in the state administration bodies.

The share of costs in the civil service should be reduced. The first measures in the process of rationalisation have been taken by reducing the number of ministries from 19 to 15, and also by reducing the number of officials' posts. The service terminated for 1,289 civil servants and civil service employees at the Ministry of Defence, 809 civil servants and civil service employees at the Ministry of the Interior, and further rationalisation is in progress.

b) For the purpose of strengthening the capacity for the implementation of the policies which are demanded in the process of European integration, further improvements in the state administration are necessary. To that end, it is necessary to complete an in-depth analysis and to review the organisational structures, management and functions in the state administration bodies and associated bodies and legal persons with public authority (agencies, funds) with a view of clearly dividing authority and solving the issue of parallel functions.

It is necessary to revise which function and activities should be performed in the state administration, and which can be more rationally and cost-effectively carried out by independent agencies, local and regional units, or other subjects, if possible based on the market principle, and to reallocate these functions and activities as well as the civil servants and civil service employees. Likewise, it is necessary to examine which functions and activities are unnecessary and should be cancelled. All the functions and activities which are

¹ Information provided by the Central State Office for Administration as of 15 November 2007.

necessary and which do not have the character of the state administration tasks should be gradually transferred to non-governmental subjects through various contractual and similar mechanisms (concessions, outsourcing, public private partnerships, privatisation, etc.). In this way, significant savings in operational costs could be achieved.

In addition, it is necessary to establish clear-cut and unified rules for establishing public agencies, their functions, responsibilities, supervision of their work, recruitment, job classification, status of employees, and the method of financing based entirely or partially on the market principle.

c) It is also necessary to rationalise the organisational structures in the state administration bodies and to align them with the tasks and responsibilities which the state administration bodies have to assume.

d) So far, the first activities have been taken in the wider rationalisation process that will include an in-depth analysis of the internal structure and organisation of the agencies and other legal entities related to the state administration bodies. A methodological framework for functional review has been prepared, and a trial analysis has been conducted in two ministries and two state administration offices in counties (the Ministry of Agriculture, Forestry and Water Management, the Ministry of Health and Social Welfare, the State Administration Office in Međimurje County and the State Administration Office in Istria County), and functional review is underway in 10 central state administration bodies and 5 state administration bodies in counties. The implementation of this functional review was entrusted to the Institute for International Relations after conducting a public tender, which was carried out in accordance with the rules of the World Bank.

Based on the results of the functional review in the state administration bodies, rationalisation programmes will be developed and implemented (including the privatisation of certain functions, providing severance pay or reassignment of staff, amendments to acts on the internal organisation, and other measures).

e) A general characteristic of the majority of central and first instance state administration bodies is a large number of managing positions in proportion to the scope of activities, which has led to organisational units with 2-3 employees. On the other hand, they perform very little work related to management and mostly carry out other professional and executive tasks. It is essential to reduce the number of internal organisational units, resulting in fewer managing positions.

f) The Government of the Republic of Croatia is the focal point of executive power which must function efficiently in order to be able to respond quickly to the challenges in the circumstances which change often and rapidly. It is necessary to revise the scope of competence and position of the agencies and other regulatory bodies that are responsible directly to the Government.

Planned activities:
<ul style="list-style-type: none"> • Continue with the implementation of the functional review in the state administration bodies • Drafting the Proposal of the Agencies Act • Drafting of the Proposal of the new State Administration System Act
Competent authority: Central State Office for Administration

- Preparation and implementation of the rationalisation programme, with prior opinion of the trade union, in those state administration bodies where the functional review has been carried out (including the providing of severance pay or reassignment of staff, and other measures) based on the carried out analysis
- Rationalisation of organisational structures (reducing the number of managing positions)

Competent authority: all state administration bodies where the functional review has been carried out

1.2. Improving coordination and harmonisation in the work of the state administration bodies

a) The obligation of mutual cooperation between the central state administration bodies through providing expert assistance, submitting notifications from official records, harmonisation of administrative programmes and operating plans, organising joint expert consultations, and establishing joint expert commissions and working groups regarding the issues of common interest, i.e. cooperation of the central state administration bodies and first instance state administration bodies by giving expert opinion and holding consultations on the manner of implementing laws, is in general terms stipulated in the State Administration System Act.¹ Mutual cooperation of the first instance state administration bodies has not been formally regulated; the new coordination methods, the obligation to coordinate and the responsibility for insufficient coordination between the state administration bodies at all levels will be established and regulated in the new State Administration System Act.

b) In practice, working groups for the drafting of proposals consisting of the representatives of various state administration bodies are rarely set up. Quality preparation of acts which are closely revised and elaborated in a working group consisting of the representatives of various state administration bodies would enable revision and harmonisation of all the issues in the act proposal at a lower level, before sending it to the working bodies of the Government of the Republic of Croatia. In this way, all impacts and effects of the implementation of an act could be taken into account. This would provide for significant time savings in the later stages of discussion, and also the drafting of more quality acts. It does not rule out the possibility that individual state administration bodies can prepare an initial version of draft regulations.

c) In the process of drafting proposals of acts and other regulations, formally there is no obligation to include the first instance state administration bodies (state administration offices in counties). Sending proposals of acts and other regulations for opinion to the first instance state administration bodies depends on the estimate of the central state administration body which is preparing the proposal of an act or other regulation. As state administration offices apply the laws and other regulations in the first instance and in many administrative areas directly, they have direct contacts with the citizens and other clients and are the first ones to face the problems of their application in practice. They also have the necessary insight and the opportunity to evaluate the effect of implementation of the regulations which are drafted and proposed. It is necessary to formalise the forms of cooperation of the state

¹ Articles 63 and 64 of the State Administration System Act (Official Gazette 75/93, 48/99, 15/00, 127/00, 59/01 and 199/03)

administration offices in counties in the process of drafting the proposals of acts and other regulations.

d) With respect to the implementation of the regulations, it is also necessary to improve the cooperation and coordination between the central and first instance state administration bodies and to formalise the forms of cooperation between the first instance bodies themselves in different counties for the purpose of standardising the procedure in the equivalent cases in the entire state territory.

e) It is necessary to formalise regular meetings of heads and deputy heads of state administration offices in counties, where the representatives of the central state administration bodies would be present as well as experts if necessary, in order to closely examine certain issues and problems and find the solutions. This will provide for the standardised and equal procedure in equivalent cases in the entire state territory.

f) Education about the manner of implementing laws and other regulations is a vital element in improving the quality of services to the citizens and other parties, and it is necessary to establish the obligation of regular organisation and conducting of training regarding the implementation of all new acts and other regulations.

A wider revision of the effects of implementation of acts and other regulations in practice allows the preparation of more quality regulations, and appropriate education of civil servants on how to apply these acts and standardisation of practice in their implementation, which in the end contributes to a higher quality services to the citizens and other parties, their satisfaction and strengthening of trust in the state administration.

Planned activities:
<ul style="list-style-type: none">• Obligatory establishment of working groups for drafting of organic acts with the participation from other state administration bodies• Establish the formal mechanisms for the participation of state administration offices in counties in the preparation of line programmes and acts, and in the evaluation of the new regulations (amendments to the State Administration System Act)• Formally establish the forms of mutual cooperation of the state administration offices in counties (amendments to the regulation on the internal organisation of the state administration offices in counties)• Formally establish the form of cooperation between the central state administration bodies and the state administration offices in counties (amendments to the State Administration System Act)
Competent authority: Central State Office for Administration

1.3. Responsiveness of administration to the citizens and participation of the citizens and the civil society

a) Responsiveness of administration to the citizens is gradually improving, which was to a large extent contributed by the adoption of the Act on the Right of Access to

information¹, the establishment of the Register of the right of access to information¹ and the appointment of information officers. In the central state administration bodies, the tasks related to the relations with the mass media have been designated to the cabinet of the head of the central state administration body, in some bodies special organisational units for public relations, and in most state administration bodies the position of a spokesperson has been introduced. State administration bodies inform the public about the performance of state administration tasks by posting information on their web sites. The state portal “Moja uprava” has been set up, where the citizens can obtain information about the work of the entire state administration.

b) Responsiveness of administration to the citizens has to be further encouraged, both in terms of improvements and standardisation in the approach to informing the public about performance, and in establishing a partnership with the public when determining the proposals of programmes, new acts and other regulations, and getting feedback from the public. Responsiveness of the public and state administration must be mutual, because criticism by the public ensures improvement and rectifying of the shortcomings. Participation of the citizens represents one of the ways of consolidating the legitimacy of programmes and regulations, and it is one of the basic principles of the European method of public tasks management.

Planned activities:
<ul style="list-style-type: none"> • Establishment of the minimum standards and methods of informing the public about the state administration performance • Elaboration of consultation models regarding the proposals of programmes, acts and other regulations with NGOs and public in general
Competent authority: Government of the Republic of Croatia
<ul style="list-style-type: none"> • Education of spokespersons or other persons responsible for informing and public relations
Competent authority: Central State Office for Administration
<ul style="list-style-type: none"> • Establishment of an internal coordination system in the state administration bodies for the preparation of information for the public • Conducting annual surveys regarding the citizens' satisfaction with administrative services, and the analysis of the results in the meetings of the state administration bodies and at the session of the Government of the Republic of Croatia
Competent authority: all state administration bodies

2. Strengthening the quality of programmes, acts and other regulations: an improved legal system

¹ Official Gazette 172/03.

Problem analysis and proposals for activities

2.1. Strategic planning

The function of strategic planning is not sufficiently represented in the state administration. Annual planning of legislative activity and work in the state administration bodies is usually developed in the “bottom to top” approach. Operational and legislative plans are collected from the heads of lower organisational units, and then they are unified in a single plan for the state administration bodies. The entire system of planning of political and legislative activities and their linking with the Government priorities is incomplete. There is no permanent supervision of progress in the state administration bodies and their organisational units in fulfilling their obligations under the operational plan of the state administration bodies.

It is necessary to:

- strengthen the strategic planning in the state administration bodies;
- determine the strategic and mid-term objectives and priorities of the state administration bodies and direct the work of the organisational units in the state administration bodies towards fulfilling those goals and priorities, and strengthening of the connection between the work of the state administration bodies and strategic objectives set by the Government;
- establish organisational units for strategic planning in the state administration bodies as independent units, or the function of planning should be included in the cabinet of ministers or heads of other bodies;
- strengthen the coordination of strategic planning for the purpose of better connection of plans from certain state administration bodies with the strategic objectives of the Government (the Central State Office for Development Strategy and Coordination of EU Funds).

2.2. Development of programmes (conceptual design, strategies, political recommendations)

When drafting proposals of acts, the phase of preparation of the sector and other programmes to be approved by the government is usually missing. “When a substantially new or a revised policy is being developed, it is important conduct an analysis (including the overall impact assessment) and hold consultations with the interested parties, and special attention should be paid to the financing and concrete implementation demands (including staff and institutions). In an ideal case, the Government should consider the policy options and agree on the policy principles before the ministries draft the acts. In practise, this phase is sometimes “omitted”, and the ministries start the process of rafting proposals without sufficient prior analysis”.²

The preparation of programme proposals (conceptual designs, possible options, impact assessment and implementation possibilities) has to be introduced gradually as a separate process of drafting proposals of acts, an it should be examined in cooperation with all

¹ The Ordinance on the organisation, contents and method of keeping of the official register on the right of access to information, Official Gazette 137/04.

² Michal Ben-Gera: *Methodology for Horizontal Review of the Development of Legislation in Ministries* (prepared for the project of functional review in Croatia), February 2005.

stakeholders. This will enable an easier acceptance and more quality implementation of acts on a wide base.

By introducing the obligation of prior development and establishment of programmes in the process of adopting laws, it will be necessary to establish the obligation of programme impact assessment (for now, the Standing Orders of the Government of the Republic of Croatia stipulate the impact assessment for laws and other regulations).

2.3. Impact assessment

The obligation of impact assessment (financial, environmental, on the economy) of all proposed laws and other regulations was introduced in the Amendments to the Standing Orders of the Government of the Republic of Croatia¹. Impact assessments represent a mechanism that will ensure the quality of the proposed laws and programmes and their effects (the Decision on the form for the standard methodology of financial impact assessment was adopted by the Croatian Government in June 2005.² The adoption of this Decision marked the commencement of application of the financial impact assessment of laws and other regulations). In the first half of 2007, the Government adopted the Decision on the forms of standard methodology for the social and environmental impact assessment, and in July 2007 it established the Regulatory Impact Assessment Coordination Office.

With a view of improving the quality of the proposed laws and other regulations, it is necessary to implement systematic impact assessment, in accordance with the Standing Orders of the Government of the Republic of Croatia.

2.4. Implementation of laws

The Republic of Croatia has experts in the state administration, scientific and professional communities who could draft laws and other regulations. However, there is no doubt about the issue of quality implementation of the adopted laws, and the issue of falling behind schedule in the adoption of subordinate regulations. Therefore, special attention should be paid to the monitoring of implementation of the laws and other regulations, and education of the civil servants about the application thereof. In addition, special attention should be paid to the informing of the public (users) about the expected impacts of the regulations.

State administration bodies which draft act proposals should compile an overview of subordinate regulations to be adopted pursuant to these acts, including the deadlines and the authorities responsible for their drafting, and they should send it to the Secretariat of the Government that should have the central coordinative role in monitoring the adoption thereof, and regularly report to the Government in order to undertake relevant measures.

The authorities responsible for the implementation of laws shall monitor the implementation thereof, they shall analyse the impact of these acts against the expected results (in cooperation with the bodies which directly implement the acts or other regulations), and they shall regularly inform the Government about the implementation of an act or other regulation (including the central state administration body responsible for the

¹ Official Gazette 22 of 10 February 2005 and No. 68 of 2 February 2007.

² Official Gazette 70 of 8 June 2005.

drafting of an act, if the competent authority for the drafting thereof is not at the same time responsible for its implementation – e.g. in the cases where the agencies are responsible for the implementation of the acts, but are not competent authorities for drafting act proposals under the regulations in force). The highest legal standards must be observed in the process of implementation of the acts, the principle of legality must be complied with, the exercise of constitutional rights of citizens must be ensured, and efficient mechanisms of the protection of the rights of citizens, entrepreneurs and other entities have to be established. The rule of law must be an integrating factor of the entire state administration system.

Planned activities:
<p>Strategic planning</p> <ul style="list-style-type: none"> • Establish the strategic planning units in the state administration bodies (or introduce the strategic planning function in one of the existing organisational units) • Introduce more appropriate methods of strategic planning in the “top to bottom” process for the purpose of establishing the overall goals and priorities • Define strategic priorities of the state administration bodies and ensure that the focus of operative plans of the state administration bodies is the achievement of the Government strategic goals • Establish permanent supervision in the state administration bodies of the progress in achieving the obligations determined in the operating plan <p>Competent authority: all state administration bodies</p>
<ul style="list-style-type: none"> • Education of civil servants regarding strategic planning <p>Competent authority: Central State Office for Administration and the Central Office for Development Strategy and Coordination of EU Funds</p>
<ul style="list-style-type: none"> • Strengthen the process of planning coordination that will link the plans of the state administration bodies with the Government’s strategic goals, and ensure the system for the supervision of this linking <p>Competent authority: Central Office for Development Strategy and Coordination of EU Funds</p>
<p>Creation of programmes</p> <ul style="list-style-type: none"> • Develop the guidelines for integrating the strategic planning and budgeting in the Republic of Croatia, as a means of support to the drafting of line strategic documents which should contain the relevant goals, instruments, performance indicators, performance evaluation and possibilities for implementation <p>Competent authority: Central Office for Development Strategy and Coordination of EU Funds, Central State Office for Administration, Ministry of Finance</p>
<p>Impact assessment</p> <ul style="list-style-type: none"> • Drafting of the proposal of the Decision on the format of the standard methodology for

impact assessment on the economy
Competent authority: Ministry of the Economy, Labour and Entrepreneurship
<ul style="list-style-type: none"> • Organising the training on the analysis and creation of programmes and impact assessment
Competent authority: Central State Office for Administration
<ul style="list-style-type: none"> ▪ Analysis of the existing regulation and annulment of those provisions which restrict economic development and freedoms and rights of the citizens (“Hitrorez”)
Implementation of acts and other regulations <ul style="list-style-type: none"> • Drawing up an overview of subordinate regulations with the deadlines and competent authorities (submitted to the Secretariat of the Government) • Submitting to the Secretariat of the Government the report on the drafting of the implementing regulations with a view of monitoring and reporting to the Government • Monitoring of the implementation of acts and other regulations (comparison of the achieved and expected results) and regularly submitting the report to the Government and the central state administration body responsible for drafting the proposal of an act or other regulation
Competent authority: all state administration bodies
<ul style="list-style-type: none"> • In cooperation with other state administration bodies organise and implement the training of the civil servants aimed at successful implementation of all new acts and other regulations
Competent authority: Central State Office for Administration

3. Civil service system: A modern civil service

Problem analysis and proposal for activities

3.1. De-politicisation and professionalisation of the civil service

a) The demarcation of the political and civil service sphere in administration up-to-date has not provided for a sufficient level of political independence, professionalism, and continuity in the carrying out of the highest executive functions, which are now reserved for political appointments and are liable to changes with the change of political power. The purpose of the state administration reform in this area is de-politicisation and professionalisation of the highest executive functions in administration (senior management staff) and specifying of the legal frameworks that would explicitly link recruitment with the highest executive functions (senior management staff).

b) Significant improvements in the process of de-politicisation and professionalisation have been established in the new Civil Servants Act regarding the positions of the secretaries at the ministries, deputy secretary of the Government, head of the Government Office, deputy state secretary of the Central State Office for Administration and assistant director of the state administration organisation. After these parliamentary elections, on the day of entry upon office of the new Government, these positions become civil servants' jobs, and the positions of assistant ministers have been cancelled and replaced by the position of directors, in accordance with the European models¹.

With a view of consistent implementation of de-politicisation of the foregoing positions and harmonisation with the Civil Servants Act, in late 2006 the Act on Amendments to the Act on the Rights and Obligations of State Officials, the Act on Amendments to the Act on the Prevention of Conflicts of Interest in the Exercise of Public Office were adopted, and in January 2007 the Act on Amendments to the Transfer of Power Act. For the purpose of establishing a comprehensive framework of de-politicisation and professionalisation, in July 2007 the amendments to the Act on the Civil Service System were adopted, specifying the method of appointment to the positions of the highest state officials, i.e. the positions whose status with the amendments changed from official to the civil servants' jobs.

Planned activities:
<ul style="list-style-type: none">• Implementation of the legal provisions on de-politicisation and professionalisation of civil service
Competent authority: all state administration bodies

3.2. Improvement of the system of development and human resources management in the civil service

¹ Article 151 of the Civil Servants Act (Official Gazette 92, 27 July 2005)

a) In the area of human resource management, it is vital to ensure a higher level of decentralisation in the decision-making process and a higher level of individual responsibility of the civil servants to achieve the set goals, in accordance with the agreed operating plans, including more precise determining of tasks and obligations of civil servants. It is necessary to ensure objective and measurable criteria for the assessment of results and performance quality in relation to set and expected results, and to introduce the system of remuneration for outstanding results and sanctions for negligent work and lack of discipline.

b) Moreover, it is essential to provide for the central coordination and supervision in the areas of management, development and recruitment, to increase the mobility within the civil service, to establish a fair and flexible payment and classification system, and to ensure the development of expertise and capabilities of the civil servants by means of various education and training programmes.

c) The legal framework for the improvement of the development system and human resource management was established with the adoption of the new Civil Servants Act. The Act establishes the foundations for the development of a modern civil service based on systematic planning, development and human resources management, while thorough solutions in that area will be elaborated in the implementing regulations.

Out of 13 implementing regulations required for the implementation of the Civil Servants Act, so far 12 have been adopted. The Regulation on job classification and salaries of civil service employees has yet to be adopted.

Planned activities:
<ul style="list-style-type: none">• Drafting the proposal of the Regulation on job classification and salaries of civil service employees
Competent authority: Central State Office for Administration

3.3. Combat against corruption and strengthening of the level of ethics in the civil service

Corruption and the perception of its presence in the civil service should be reduced to the minimum. Apart from the measures to combat corruption that are envisaged in the National Anti-Corruption Programme (*Official Gazette 39/2006*), it is necessary to strengthen the administrative capacities in the state administration bodies at all levels, to strengthen civil service tribunals, to introduce stricter sanctions for the servants who are proved to be corrupted, and also to legalise the protection for those civil servants who warn about corruption in order to encourage the reporting of corruptive activities, thus facilitating successful combat against it. Likewise, for the purpose of monitoring of the ethical standards in the civil service and proposing the measures for its improvement, it is necessary to establish the Ethics Commission. Part of these measures has been implemented through the amendments to the Civil Servants Act, which the Croatian Parliament adopted at its session held on 22 February 2008, related to the combat against corruption, including laying down the sanction of mandatory removal from work of those servants who is proved to be engaged in

corruptive activities, and the protection of the civil servants who warn about or report the cases of corruption in the civil service (the protection of “whistle blowers”).

Pursuant to the Civil Servants Act and for the purpose of establishing the standards of ethics in the civil service, the Code of Ethics has been adopted. Also, the Ethics Department has been set up at the Central State Office for Administration, responsible for carrying out professional tasks related to the application of ethical principles in public administration, personal behaviour of civil servants and civil service employees, potential conflicts of interest, acceptance of gifts, and potential corruptive and other unethical conduct by means of encouraging training programmes, counselling and giving opinion, receipt of reports and complaints about the violation of ethical behaviour in public administration on a free telephone line, monitoring of their solving, and cooperation with the competent bodies in the prevention and combat against all types of unethical behaviour.

Planned activities:
<ul style="list-style-type: none"> • Capacity strengthening of the Ethics Department of the Central State Office for Administration
<ul style="list-style-type: none"> • Establishing of the Ethics Commission (amendments to the Code of Ethics) <ul style="list-style-type: none"> ▪ Designating one person – coordinator in each state administration office in counties who will be in charge of the anti-corruption policy and who will cooperate with the Ethics Department
<ul style="list-style-type: none"> • Strengthening of civil service tribunals by means of professionalisation of their members
<ul style="list-style-type: none"> • Implementation of training for the strengthening of ethical standards of civil servants
Competent authority: Central State Office for Administration

3.4. Establishment of the performance-based remuneration system

a) The policy of salaries in the Croatian state administration is not unified, and there is no system of incentives based on performance. Years of service and the level of qualification are the main factors for determining the salary, which is not stimulating nor attracting and keeping young qualified experts. Apart from this, for the same type of jobs there are different coefficients of complexity in different state administration bodies.

b) Inconsistent salary policy affects the internal organisational structure of the state administration bodies, and it has become too fragmented and purposeless. The number of internal organisational units with a small number of staff (2-3) is increasing in order to create a larger number of leading positions (heads of departments and units) to get higher salaries in order to keep quality professionals. This further enhances the disunity in the remuneration system in various state administration bodies.

c) All of this is weakening the motivation to work, performance quality is decreasing, and consequently the quality in the providing of public services to the citizens. The salaries system must be reformed, consistency in remuneration has to be ensured in the whole state administration, such elements of remuneration should be introduced that will be based on recognising individual performance, and competitiveness of salaries and remunerations has to be provided for in order to attract and keep quality administrative staff in the long term. This

will contribute to the continuous increase in the quality of services that the state administration is providing at all levels, and it will also improve the level of professionalism of civil servants.

For the purpose of development of the new system of salaries that will ensure more consistency in remuneration, the introduction of transparency in the system of salaries and remuneration, including the merit and performance based elements, within the PAL programme of the World Bank the analysis of the system of salaries and remuneration in the civil service has been carried out. The results of this project will be the basis for the drafting of the Act on Salaries of Civil Servants.

The system of salaries should be simulative and objective. Special attention should be paid to the remuneration of specialists in the civil service.

Planned activities:
<ul style="list-style-type: none">• Drafting of the proposal of the Act on Salaries of Civil Servants
Competent authority: Central State Office for Administration

4. Education and training of civil servants: knowledge, skill and competencies

Problem analysis and proposal for activities

4.1. Establishment of the efficient system of continuous education and training of civil servants

Continuous education and training of civil servants in order to acquire new knowledge and skills that are essential for professional development and career promotion is the key factor for human resources development, and accordingly the increase in the efficiency and quality of performance in the state administration in general.

a) The organisational framework for professional education and training of civil servants was established by the setting up of the Civil Service Training Centre at the Central State Office for Administration, as the central unit responsible for the training of civil servants. The main goals and principles of education and training are listed in the Strategy for professional education and training, which the Government of the Republic of Croatia adopted in October 2004. This document obliges the state administration to provide continuous development and training to the employed staff.

b) Professional education and training of civil servants has to be systematic, provided at all levels and in all state administration bodies, by means of general and specialised education programmes, and it should be aimed at:

- acquiring new knowledge necessary for efficient performance of state administration tasks and preparation for efficient implementation of the EU policies and laws, including faster learning of foreign languages for those civil servants who participate in the alignment of the legislation to that of the European Union,
- acquiring new skills and abilities demanded by the modern state administration, including management skills, public management, organisational development, creative thinking, communication skills teamwork and others,
- accepting new views and systems of values (active promotion of the method of work and thinking of the civil servants which is centred on the citizen – user of services and the civil service functioning as the service of the citizens and other parties, promotion of high moral values and principles of work of civil servants who should perform their duties conscientiously, responsibly, and unselfishly, in mutual relations, and in dealing with the citizens and other clients – users of services alike).

c) Systematic implementation of education and training of civil servants should be based on the evaluation of training requirements, establishing of annual training plans accompanied by the proposal for funding, and assessment of programmes and achieved results of education and training.

d) Special attention should be paid to the education and training of leading civil servants aimed at putting behind the traditional abilities and putting the emphasis on the new abilities, such as: development and presentation of a personal vision, strategic thinking and actions, successful development of organisational units and administrative organisations,

focus on results, development of the proactive attitude of civil servants towards the work and manager organisational culture, awareness of the external environment, development of new methods, etc.

e) Attention should also be paid to continuous education and raising the professional level of the civil servants with university qualifications to graduate and expert graduate level.

f) Attention should also be paid to motivating the civil servants for personal development, which finally contributes to the quality of the state administration. This can be achieved by setting the obligation to successfully completing a certain number of programmes, courses, exercises or other forms of professional education and training aimed at promotion in the service.

g) The implementation of the pre-accession assistance programme of the Kingdom of Denmark lasted from spring 2005 until December 2007, in the scope of which support was provided to the development of a comprehensive human resources development system, strengthening the capacities of the Civil Service Training Centre for the purpose of developing a flexible and demand driven approach to education and training as an integral part of the state administration reform.

For the purpose of creating the conditions for full operation of the Civil Service Training Centre, during 2006 and 2007 the Centre became fully staffed. In 2006, the total of 4,565 servants took part in diverse types of education and training which were held at the Centre, in cooperation with other state administration bodies, and this number increased to approximately 6300 in 2007. In January 2007, the Croatian Government adopted the Regulation on the forms and manner of and conditions for the training of civil servants, and the Plan of general training programmes for civil servants 2007. Initial funds allocated for the implementation of the Programme in 2007 State Budget amounted to HRK 2 million.

Planned activities:
<ul style="list-style-type: none"> • Evaluation of education and training requirements
<ul style="list-style-type: none"> • Establishing the proposals of annual training plans for each state administration body with the proposal of required financial resources
<ul style="list-style-type: none"> • Speed up learning of a foreign language for those civil servants who participate in the alignment of legislation to the European Union
Competent authority: all state administration bodies
<ul style="list-style-type: none"> • Adoption of the annual Plan for professional education and training
Competent authority: Central State Office for Administration
<ul style="list-style-type: none"> • Providing for a separate item in the State budget for professional education and training
Competent authority: Ministry of Finance

4.2. Establishment of an adequate administrative training system adapted to the state administration requirements

Professional education and training is essential for those already employed in the civil service. However, the civil service requires a specific type of university education, as has been shown in the comparison of experiences from the developed European countries. State administration reform and its modernisation can be sustainable in the long term only if a quality system of education specific for the civil service is set up. Croatia is one of very few European countries which does not have a comprehensive, vertically open civil service education system for the future civil servants.

Administrative education should be formed in line with the so called Bologna standards, meaning the system of 3+2+1, so that it educates graduates of public administration (three-year study for the lower civil service positions, a *BA degree*), masters of public administration (additional two years of study after obtaining the BA degree, for higher civil service position, an *MA degree*), and specialists in public administration (specialist postgraduate study after obtaining an MA or completing the previous undergraduate study, for the managing positions in the civil service).

The existing structure of administrative staff is characterised by a large share of servants with secondary school qualifications, and very diverse qualifications which are not always adequate for performing the civil service tasks. In the period covered by this Strategy, it is necessary to gradually replace the servants with secondary school qualification with graduates in public administration who will be fully trained for professional and administrative jobs, mostly in the lower positions. Professional graduates are already attending polytechnics and colleges. The master courses in public administration should be set up in universities in order to educate the staff for higher ranking positions.

Administrative issues and working in the state administration are becoming more complex and demand increasingly better education which, in addition, should be specific for employment in the state and public administration. This education should provide the knowledge, skills and competences related to the public sector management, other administrative and technical knowledge and skills, awareness of political and economic issues, legal and financial and other types of knowledge, skills and competences necessary for efficient performance of administrative tasks at all levels of the state administration system. Moreover, such education should be focused on the European standards and the standard of ethical conduct and work of civil servants in the best public interest. After completing the highest levels, the specialists should have the knowledge and skills of a modern European administrative servant.

An integral and vertically open system of administrative education should be developed at university institutions, intended specifically for the state and public administration. The competent authority on behalf of the state administration will be the Central State Office for Administration, in cooperation with the Ministry of Science, Education and Sports. With a view of developing the system of administrative education, the Government of the Republic of Croatia has already signed the agreement on the scholarship scheme for the students of the specialist study entitled *Public Administration* at the University of Zagreb. The first generation of students enrolled in the academic year 2005/06, and the second in the academic year 2006/07. This course is aimed at educating people for the

managing positions in the state administration bodies. In the first years of the implementation of this Strategy it is necessary to establish a quality, Europe-oriented master's course in public administration (*MA degree*).

Planned activities:
<ul style="list-style-type: none"> • Support and assistance in establishing a university master course in public administration at one of the universities
<ul style="list-style-type: none"> • Envisage in the Regulation on job classification jobs requiring the qualification of an expert graduate of public administration, master of public administration and public administration specialist
<ul style="list-style-type: none"> • Continued scholarship scheme for the attendees of the specials postgraduate study <i>Public Administration</i> at the University of Zagreb
Competent authority: Central State Office for Administration and The Ministry of Science, Education and Sports

5. Simplification and modernisation of administrative procedures: e-Administration

Problem analysis and proposal for activities

5.1. Simplification of administrative procedures and easier exercise of rights of clients

a) The General Administrative Procedure Act is a general procedure act applied by the state administration bodies, local and regional self-government bodies, and legal persons with public authority when they, directly implementing the regulations, decide on the rights, obligations and legal interests of the citizens and other clients. Bearing in mind the need for an easier and faster exercise of the rights of citizens in the procedures before the state administration bodies, local and regional self-government bodies, and legal persons with public authority, including the fact that the Act has been applied for a number of years, it is necessary to adopt the new procedural law adapted to the standards and good experiences from the European Union countries.

The drafting of the new act is conditioned by the development of the IT technology and electronic communication, which significantly facilitate the communication between the clients and administrative bodies, and ensure a more efficient exercise of the rights of citizens. At the same time, it prevents the slowing down of administrative operations relating to the management of procedures, which is a common occurrence in practice due to late receipt of letters and untimely performance of other tasks in administrative procedures.

b) The first measures have been taken to that end. Within the CARDS 2003 project *Support to public administration and civil service reform*, SIGMA drew up the assessment of the General Administrative Procedure Act in the sense of alignment with the European Union standards, and this assessment served as the basis for amendments to the Act. The Government of the Republic of Croatia adopted the Starting points and principles for the reform of the General Administrative Procedure Act in September 2006, and the Guidelines for drafting the General Administrative Procedure Act in January 2007. The draft of the new General Administrative Procedure Act will be sent to legislative procedure in 2008.

c) In the monitoring of the application of the General Administrative Procedure Act it has been evaluated that in the second instance procedure and in the administrative disputes acts were often abolished or annulled due to the violation of the rules of procedure. This is evidence of inefficiency, unnecessary long duration and higher expenses in the exercise of the rights of citizens and other clients. This is the result of the fact that the Act is applied by different bodies where the authorised persons are not adequately trained nor do they have sufficient experience to conduct administrative procedures, and legal profession is underrepresented in dealing with administrative matters. For the purpose of as efficient as possible exercise of rights, obligations and legal interests of the citizens and other parties, special attention has to be paid to educating the servants to conduct administrative procedures, legal profession should be stipulated as a condition for recruitment to the positions where administrative matters are decided, and a special expert examination as the requirement for those servants who conduct administrative procedures should be introduced. Improvement of education and additional verification of training to conduct administrative procedures will ensure a quality level of knowledge required for efficient decisions on the

rights of clients in the first instance, and it will reduce the costs of further procedure and strengthen the confidence of the citizens and other parties in the state administration.

d) It is necessary to ensure that other regulations deviate as little as possible from the general procedural law. Practice has shown that a large number of material acts also contain procedural provisions, which is unacceptable. Not less than 65 special administrative procedures have been laid down, which to a larger or smaller extent deviate from the rules set forth in the General Administrative Procedure Act. The result is the fact that in several administrative areas decisions in the first and second instance are made by the same body, which compromises the possibility of the quality protection of rights upon the appeal, and it compromises efficient control in the second instance proceeding, even more so because the person who is initially responsible for deciding on administrative cases, in both instances, is the head of that same state body.

e) At the same time, it is necessary to improve the supervision of work of the state administration bodies in the process of implementing the General Administrative Procedure Act and modernise the Administrative Inspection Act.

Planned activities:
• Drafting the proposal for the new General Administrative Procedure Act
• Professional training of the servants entitled to conduct administrative procedures
• Introduce a special expert examination for the servants who manage administrative procedures
• Drafting the proposal for the new Administrative Inspection Act
• Stepping up of inspection supervision in the implementation of administrative procedures
Competent authority: Central State Office for Administration
• Review of the special administrative procedures
Competent authority: all state administration bodies

5.2. Strengthening the role of electronic administration in economic development

a) One of the main elements of the state administration reform is the introduction of electronic administration, whose role is to facilitate the provision of quality services to the citizens and other clients, thus guaranteeing transparency and efficiency. By strengthening the level of computerisation of the state administration and networking of the system, the citizens will be enabled to use state administration services over the Internet, to communicate with the state administration, to request and receive various documents, certificates, decisions and information on the government's activities. The state administration is becoming a quicker and more efficient service of the citizens. It is necessary to further simplify administrative procedures and overcome bureaucratic obstacles to efficient solving of the rights of citizens and a speedier development of entrepreneurship.

b) The main presuppositions which Croatia has to fulfil and which serve as the basis for the development of electronic administration have been established in the Information and

Communication Technology Strategy – Croatia in the 21st Century¹, and they relate to: the networking of the state administration bodies; creation of a single and safe e-mail system as the mechanism for the transmission of documents within the state administration bodies; creation of the electronic data exchange system as the basis for electronic functioning of the state administration; setting up of a single system of state registers and records while fully applying the principle of the protection of personal data and the principle of publicity, except for the contents falling within the category of state or business secret; development of an open access database system through the computer and communication network for certain state administration bodies, i.e. indirectly by means of the public telecommunications network for the citizens and business entities; development of a quality design model of the state information system that will accept all thus far achieved quality results in individual state administration bodies and integrate modern technological solutions; creation and exchange of digital documents while reducing the number of paper documents to the lowest possible level; development of special information and communication systems for the police and the army as parts of the state administration with specific requirements as to the security of operation and confidentiality of information.

Planned activities:
<ul style="list-style-type: none"> ▪ Analysis of the activities and drafting of the Report on the implementation of the e-Croatia 2007 Programme (the Report is submitted to Croatian Government) • Drafting the proposal for the strategic document on the development of the information society in the Republic of Croatia for the period 2008-2011
Competent authority: Central State Administrative Office for e-Croatia
<ul style="list-style-type: none"> • Continued implementation of the Hitro.hr project (<i>one-stop-shop</i> or all in one place) • Establishing the model and solutions of interconnecting the information systems of the state administration bodies through a single telecommunications network with a view of strengthening electronic administration in the development of the economy • Preparation, design and publication in electronic form of official templates of the state administration bodies which the citizens and economic operators may submit through the public telecommunications network • Drafting and implementation of the plan for IT training of civil servants and civil service employees • Conducting the training for civil servants to apply IT technology and equipment • Establishment of the system for the exchange of experiences and coordination of activities of IT experts in the state administration
Competent authority: Central State Administrative Office for e-Croatia and the Central State Office for Administration
<ul style="list-style-type: none"> • Drafting the proposal of the new Regulation on office transactions (adjusted to the electronic functioning of administration) • Computerisation of the state administration offices in counties • Establishment of an IT supported register/record of civil servants
Competent authority: Central State Office for Administration and the Ministry of Finance

¹ Official Gazette 109 of 18 September 2002.

IV. IMPLEMENTATION OF STRATEGIC MEASURES

1. Principles and priorities

During the implementation of the State Administration Reform Strategy it is vital to comply with certain principles, which also mark the priorities for interpreting the measures and making them concrete. The possibility and level of success of the reform of the Croatian state administration depends on the fulfilment of these principles.

The reform should be led by the bodies and staff fully committed to the reform. The reform is not an ordinary administrative task which can be carried out routinely. A lot of energy, professional determination and expert knowledge is required to initiate the process, develop concrete ways to achieve the reform measures, their day-to-day adjustment to the changing circumstances, motivation of all actors, avoiding risks and using new possibilities. The professional, expert and personal reputation is essential to implement the reforms.

a) Creating a firm basis for long-term measures

The reform measures and adjustments have to be designed and implemented so as to ensure the long-term improvement of the position and operation of the state administration. Rapid changes and adjustments implemented under pressure of concrete but unstable circumstances have little chance of achieving long-term positive impacts. Usually, such insufficiently thought through changes that were forced due to the circumstances require new interventions and adjustments in a very short period. This prolongs the time of reform implementation and spends considerable resources (time, labour, material resources), administration staff feels this higher degree uncertainty and the citizens may be deprived of the best possible level of public services. That is why all reform measures and their implementation have to be designed in a quality manner and professionally grounded, and this will give better results in the longer timeframe. Even though this approach at the beginning may demand larger investment, in the long run it is much more cost-effective. The ratio of investment and gain (the new public value) is much more advantageous in the long term.

b) Professionalisation and sustainability of the reform results

Simultaneously with other measures the professional level and expertise in the state administration have to be strengthened. Great turnover of administrative staff, leaving of the best educated and experienced people to the private sector, insufficient emphasis on education for working in the state administration, including training and lifelong learning of the civil servants, insufficient compliance in recruitment with the principles of capability, promotion and remuneration of civil servants, etc., damage the level of professionalism and jeopardise the achieved positive reform results. Without the strengthening of professional standards, especially with regard to employing adequate administrative staff with university qualifications, the reform results cannot be sustainable.

c) Wide participation of the citizens, civil society and the public in the creation and implementation of the reform

One of the basic principles of creating public policies in contemporary Europe is the principle of participation of the citizens and other stakeholders in public debates, good level of

information, taking into consideration the criticism coming from, in particular, the civil society and the general public. Such remarks, proposals, opinions and other forms of participation are oftentimes conveyed in the media. Debate corroborated by arguments is conducted through the media, public debates, presentations, Internet and other forums, where the results are summarised, offered solutions are critically reviewed, etc. The public, the civil society and the citizens must be asked for opinion not only during the creation of the reform, but also during its implementation. This implies the entities that are a natural ally in the leadership and all actors included in the reform, as well as those actors with sufficient knowledge and motivation to offer new quality solutions, and to ensure the stability and durability of the new institutions after they have been established.

d) Decentralisation and partnership

State administration is not the most important or the only provider of public services. Along with it, one of the most important providers of such services are the local and regional self-government units. The reform measures should be conducive to further decentralisation, including the establishment of the mechanism for partnership and cooperation among all subjects in the public sector. In particular, the partnership with the local and regional self-government units has to be fostered. Instead of imposing and rivalry (a *win-lose* situation), such situation has to be developed where the circumstance improve for all included subjects (a *win-win* situations). Such favourable atmosphere will ensure a better quality of public services provided to the citizens, entrepreneurs and other subjects. In addition, partnership with the operators in the private sector has to be ensured. Whenever possible and with regard to the risk management, consideration has to be given to the forms of inclusion of the entities from the private sector in the process of creating and implementing of the reform and certain reform measures.

e) Protection of the rights of citizens

The reform must not reduce the already achieved level of protection of the rights of all citizens of the Republic of Croatia, including the national minorities. Every state administration reform carries certain risks as regards the rights of citizens and effective protection thereof. Without fully complying with the rights of the citizens in the overall functioning of the state administration, and without the complete application of the measures for the protection of the rights of citizens in relation to the state administration, the reform loses its purpose. To reform the state administration to the detriment of the rights of citizens would be a backward, instead of a forward modernisation process. The protection of the rights of citizens has to be ensured both within and outside the state administration system, primarily in the judicial system, meaning in an accessible administrative judicial system that is accessible and aligned with the European standards.

2. Competent authorities, achievement methods and timeframe

2.1. Structural adjustments of the state administration system: from the structures towards good governance

Activity	Competent authority	Deadline	Provided foreign assistance
1. Reorganisation of the state administration for the purpose of cutting down on the size of the state administration and increasing the efficiency and savings			
<ul style="list-style-type: none"> Continued implementation of the functional review in the state administration bodies 	CSOA	2008	SIDA Grant \$ 691,100
<ul style="list-style-type: none"> Preparation and implementation of the rationalisation programme, with prior opinion of the trade unions, in the state administration bodies where the functional review has been completed (including severance pay for staff, reassignment and budgetary impact), based on the results of the completed functional review 	State administration bodies where functional review has been completed	2008-2009	
<ul style="list-style-type: none"> Drafting the proposal of the Agencies Act 	CSOA	IV quarter 2008	
<ul style="list-style-type: none"> Drafting the proposal of the new Act on the State Administration System 	CSOA	IV quarter 2008	
<ul style="list-style-type: none"> Rationalisation of organisational structures (reducing the number of managing positions) 	All SABs	After the completed functional review 2008-2009	
2. Improvement of coordination and harmonisation in the functioning of administration			
<ul style="list-style-type: none"> Obligatory informing of working groups for drafting organic acts where other state administration bodies are included 	CSOA	IV quarter 2008	
<ul style="list-style-type: none"> Establish formal mechanisms of participation of the state administration offices in counties in the preparation of line programmes and acts, and in the evaluation of the impact of new 	CSOA	IV quarter 2008	

regulations (amendments to the Act on the State Administration System)			
<ul style="list-style-type: none"> Establish the conventional forms of mutual cooperation of the state administration offices in counties (amendments to the Regulation on the internal order of the state administration offices in counties) 	CSOA	II quarter 2008	
<ul style="list-style-type: none"> Establish the conventional forms of cooperation between the central state administration bodies and state administration offices in counties (amendments to the Act on the State Administration System) 	CSOA	IV quarter 2008	
3. Responsiveness of administration towards the citizens			
<ul style="list-style-type: none"> Establishment of the minimum standards and methods of informing the public on the state administration performance 	GRC	2008	
<ul style="list-style-type: none"> Elaborate the consultation model for proposing the programmes, acts and other regulations with NGOs and the public 	GRC	2008	
<ul style="list-style-type: none"> Education of spokespersons or other persons in charge of information 	CSOA	2008-2011	
<ul style="list-style-type: none"> Establishment of the system of internal coordination in the state administration bodies when preparing the information for the public 	All SABs	Ongoing	
<ul style="list-style-type: none"> Conducting annual surveys on the satisfaction of the citizens with administrative services and analysis of the obtained results in meetings of the state administration bodies and at the session of the Government of the Republic of Croatia 	All SABs	Annually, in IV quarter -ongoing-	

2.2. Improving the quality of the programmes, acts and other regulations: An improved legal system

1. Strategic planning			
<ul style="list-style-type: none"> Establish the strategic planning units in the state administration bodies (or introduce the strategic planning function in one of the 	All SABs	2008-2009	

existing organisational units)			
<ul style="list-style-type: none"> Introduce more appropriate methods of planning in the process “top to bottom” for the purpose of determining the overall priorities in the state administration bodies as the planning basis 	All SABs	2008-2009	
<ul style="list-style-type: none"> Define strategic priorities in the state administration bodies and ensure that the focus of operating plans on the state administration bodies is on the achievement of the Government priorities 	All SABs	2008-2011	
<ul style="list-style-type: none"> In the state administration bodies, establishment of ongoing supervision of progress in the achievement of the obligations under the operating plan for the state administration bodies 	All SABs	2008-2011	
<ul style="list-style-type: none"> Implementing the training of civil servants regarding the strategic planning 	CSOA and CODEF	2008-2011	
<ul style="list-style-type: none"> Strengthening of the process of coordination of planning that will link the state administration bodies’ plans with the Government strategies, and also ensure the supervision system 	CODEF	2008-2011	
2. Designing the programmes <ul style="list-style-type: none"> Drawing up the guidelines for the integration of strategic planning and budgeting in Croatia as means of support in drafting line strategic document that should contain the relevant goals, instruments, performance indicators, impact assessments and implementation possibilities 	CODEF CSOA MF	2008-2009	
3. Impact assessment			
<ul style="list-style-type: none"> Drafting the proposal of the Decision on the form of standard methodology for impact assessment on the economy 	MELE	2008.	
<ul style="list-style-type: none"> Establishment of comprehensive courses on the general analysis of programmes and impact assessment 	CSOA	Ongoing	
<ul style="list-style-type: none"> Continued analysis of the regulations in force and cancelling the 	All SABs	2008-2009	

provisions which restrict economic development, including the freedoms and rights of citizens (“HITROREZ”)			
--	--	--	--

4. Implementation of acts and other regulations

<ul style="list-style-type: none"> Drawing up an overview of subordinate acts with the deadlines and competent authorities (submitted to the Secretariat of the Government) 	All SABs	On the day of entry into force of the act (for the acts in fore, within 30 days from the day of adopting the Strategy)	
<ul style="list-style-type: none"> Submitting the report on the drafting of the implementing regulations to the Secretariat of the Government for the purpose of monitoring and reporting to the Government 	All SABs	Quarterly 2008-2011	
<ul style="list-style-type: none"> Monitoring the implementation of acts and other regulations (comparing the achieved results with the expected ones) and regular reporting to the Government and the central state administration body responsible for the drafting of the proposal of the act or other regulation 	All SABs	A year after the adoption of an act -ongoing-	
<ul style="list-style-type: none"> In cooperation with other state administration bodies organise and implement the training of civil servants regarding successful implementation of all new acts and other regulations 	CSOA	Ongoing 2008-2011	

2.3. Civil servants system: Modern civil service

1. De-politicisation and professionalisation of the civil service			
<ul style="list-style-type: none"> Implementation of the legal provisions on de-politicisation and professionalisation of the civil service 	All SABs	II quarter 2008	
2. Improvement of the system of development and human resources management in the civil service			

<ul style="list-style-type: none"> Drafting of the proposal of the Regulation on job classification and salaries of civil service employees (pursuant to the Civil Servants Act) 	CSOA	III quarter 2008	
3. Combat against corruption and strengthening of the level of ethics in the civil service			
<ul style="list-style-type: none"> Strengthening the capacities of the Ethics Department of the Central State Office for Administration 	CSOA	2008	
<ul style="list-style-type: none"> Designation of one person – coordinator in each state administration office in counties that will be in charge of anti-corruption policy and cooperation with the Ethics Department 	CSOA	II quarter 2008	
<ul style="list-style-type: none"> Establishment of the Ethics Committee (amendments to the Code of Ethics) 	CSOA	II quarter 2008	
<ul style="list-style-type: none"> Strengthening of civil service tribunals by means of increasing the professional level of their members 	CSOA	2008-2011	
<ul style="list-style-type: none"> Implementation of training aimed at the strengthening of ethical standards of civil servants 	CSOA	2008-2011	
4. Establishment of the performance based remuneration system			
<ul style="list-style-type: none"> Drafting the proposal of the Act on Salaries of Civil Servants 	CSOA	III quarter 2008	SIDA Grant \$ 100,000

2.4. Education and training of civil servants: Knowledge, skills and competences

<ul style="list-style-type: none"> Evaluate the needs for training 	All SABs	Ongoing	
<ul style="list-style-type: none"> Establish the proposals of annual education plans for each state administration body with the proposal of required funding 	All SABs	At the latest until 30 June of the current year for the next calendar year	
<ul style="list-style-type: none"> Speeded up learning of a foreign language for those civil servants who participate in the approximation of the Croatian legislation to the EU 	All SABs	Ongoing	
<ul style="list-style-type: none"> Support and assistance to the establishment of the university master's course of public administration at one of the universities 	CSOA MSES	Ongoing	

<ul style="list-style-type: none"> Continued scholarship scheme of the specialist postgraduate study <i>Public Administration</i> at the University of Zagreb 	GRC CSOA	Ongoing	
<ul style="list-style-type: none"> Adopt the annual Plan for professional education and training of civil servants 	GRC	Within 30 days from the adoption of the budget	
<ul style="list-style-type: none"> Provide for a separate item in the State Budget allocated for professional education and training 	MF	2008-2011	

2.5. Simplification and modernisation of administrative procedures: e-Administration

1. Simplification of administrative procedures and easier exercise of the rights of clients			
<ul style="list-style-type: none"> Drafting the proposal of the General Administrative Procedure Act 	CSOA	III quarter 2008	
<ul style="list-style-type: none"> Examine special administrative procedures 	All SABs	III and IV quarter 2008	
<ul style="list-style-type: none"> Professional training of the servants entitled to conduct administrative procedures 	CSOA	2008-2011	
<ul style="list-style-type: none"> Introduce a special professional examination for the servants conducting administrative procedures 	CSOA	III quarter 2008	
<ul style="list-style-type: none"> Drafting the proposal of the new Administrative Inspection Act 	CSOA	II quarter 2008	
<ul style="list-style-type: none"> Strengthening of inspection supervision in conducting administrative procedures 	CSOA	2008-2011	
2. Strengthening the role of electronic administration in the development of the economy			
<ul style="list-style-type: none"> Analysis of the flow of activities and drawing up the Report on the implementation of the e-Croatia 2007 Programme (submitting the Report to the Government of RC) 	CSAOeC	2008	
<ul style="list-style-type: none"> Drafting the proposal of a strategic document on the development of an information society in the Republic of Croatia for the period 	CSAOeC	2008	

2008-2011			
<ul style="list-style-type: none"> Continued implementation of the Hitro.hr project (one stop shop) 	CSAOeC and CSOA	2008-2011	
<ul style="list-style-type: none"> Drafting the proposal for the new Regulation on office transactions (adjusted to the electronic functioning of administration) 	CSOA	IV quarter 2008	
<ul style="list-style-type: none"> Establishing the model and solutions for interconnecting of IT systems in the state administration bodies through a single telecommunications network for the purpose of strengthening electronic administration in the development of the economy 	CSAOeC, CSOA and FINA	2008-2011 ongoing	
<ul style="list-style-type: none"> Preparation, design and publication in electronic form of official forms of the state administration bodies, which the citizens may submit through the public telecommunications network 	CSAOeC and CSOA	2008-2011. ongoing	
<ul style="list-style-type: none"> Drafting the plan of IT training for the civil servants and civil service employees 	CSAOeC and CSOA	2008-2010	
<ul style="list-style-type: none"> Implementation of training of civil servants on the application of IT technology and equipment 	CSAOeC and CSOA	2008-2011	
<ul style="list-style-type: none"> Establishment of the system for the exchange of experiences and coordination of activities of IT experts in the state administration 	CSAOeC and CSOA	2008	
<ul style="list-style-type: none"> Introduction on IT technology in the state administration offices in counties 	CSOA	2008-2011	
<ul style="list-style-type: none"> Establishment of an IT supported register/records of the civil servants 	CSOA and MF	III quarter 2008	

2.6. Supervision of implementation of the state administration reform

<ul style="list-style-type: none"> Establishment of the National Evaluation Council for the state 	GRC	One month after	
--	-----	-----------------	--

administration modernisation		the adoption of the Strategy	
<ul style="list-style-type: none"> • Evaluation of the state administration reform results and giving recommendations to the Government of the Republic of Croatia 	NCE	Once a year	
<ul style="list-style-type: none"> • Review of the State Administration Reform Strategy and drawing up the Proposal for amendments to the Strategy 	NCE	Two years after the adoption of the Strategy	

3. Resources

For the implementation of the state administration reform measures, in particular for education, expenses for the operation of the National Council for the Evaluation of State Administration Modernisation, and for the promotion of measures in the state administration reform (video clips, organisation of round tables, strategy for the communication with the citizens, legal and natural persons), it is necessary to provide approximately HRK 23.5 million in the State Budget.

V. MANAGEMENT, SUPERVISION AND EVALUATION OF THE RESULTS OF STRATEGIC MEASURES

State administration reform management is the obligation of the Government of the Republic of Croatia. The Government, by means of its decisions adopted pursuant to the State Administration Reform Strategy, directs all reform measures towards achieving the set goals. It also bears the final responsibility for the timeliness, appropriateness and contents of the reform measures, including their implementation. The Government carries out the supervision of the implementation of the State Administration Reform Strategy, and it will publish the evaluation of results at least once in six months.

The National Council for the Evaluation of State Administration Modernisation will be established with a view of political and expert support to the state administration reform. This body will consist of the representatives of the Croatian Parliament, the civil society, trade unions, state administration bodies and legal experts. Its main tasks will be the monitoring of political and professional reform aspects, providing political and expert support to the reform, a general political and expert evaluation of the results and formulation of recommendations for the Government of the Republic of Croatia, the Central State Office for Administration and other state administration bodies.

Each state administration body is in charge of implementation of the measures within its scope of competence, and it shall report on the implementation of these measures to the Government and the Central State Office for Administration.

VI. LIST OF ABBREVIATIONS

The list of abbreviations and their explanation:

MF – Ministry of Finance

MELE – Ministry of the Economy, Labour and Entrepreneurship

MEPPC – Ministry of Environmental Protection, Physical Planning and Construction

MSES – Ministry of Science, Education and Sports

MHSW – Ministry of Health and Social Welfare

DC – Decentralisation Commission

CSAOeC – Central State Administrative Office for e-Croatia

CODEF– Central Office of Development Strategy and Coordination of EU Funds

CSOA – Central State Office for Administration

SABs – state administration bodies

GRC –Government of the Republic of Croatia

NCE – National Council for the Evaluation of State Administration Modernisation