

Indicators of Regulatory
Policy and Governance

EUROPE 2022

Croatia





Croatia

Overview and recent developments

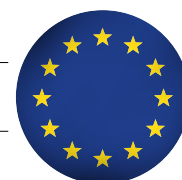
Croatia continues to improve its regulatory policy. Whilst an *ex post* evaluation framework was recently introduced, Croatia projects to further strengthen it in the coming years. Since 2018, policy makers must evaluate whether primary laws are achieving their objectives two years after their enactment in cases where *ex ante* assessment were required but exempted. These evaluations assess costs and benefits of existing regulations using RIA. Furthermore, stakeholders can provide their feedback to evaluations through Croatia's central interactive consultation portal *e-Savjetovanja*. Policy makers now also have written guidance available on how to conduct the evaluations to ensure consistency. Since 2019, citizens and businesses can report cumbersome administrative procedures on the new online portal *Boljipropisi*. This complements the "Action Plan for Administrative Burden Reduction" that the Ministry of Economy introduced in 2017 to create investment incentives and to provide easier market access.

Croatia systematically engages with stakeholders for the development of major draft primary laws, which continue to be published online for consultation for 30 days. Stakeholders can read, reply or support comments from other users on *e-Savjetovanja*, and can also organise comments from oldest to newest, by popularity, and other criteria. The body drafting the regulation publicly replies on *e-Savjetovanja* to all comments received during the consultation period. Policy makers also engage at early stages before there is a decision to regulate with *ad hoc* working groups including representatives from civil society, businesses and academia, and since 2018 do so with the general public through online consultations.

Since 2017, the RIA law requires an initial RIA to be carried out for all primary laws. A full RIA has to be conducted for laws with a potentially high impact,

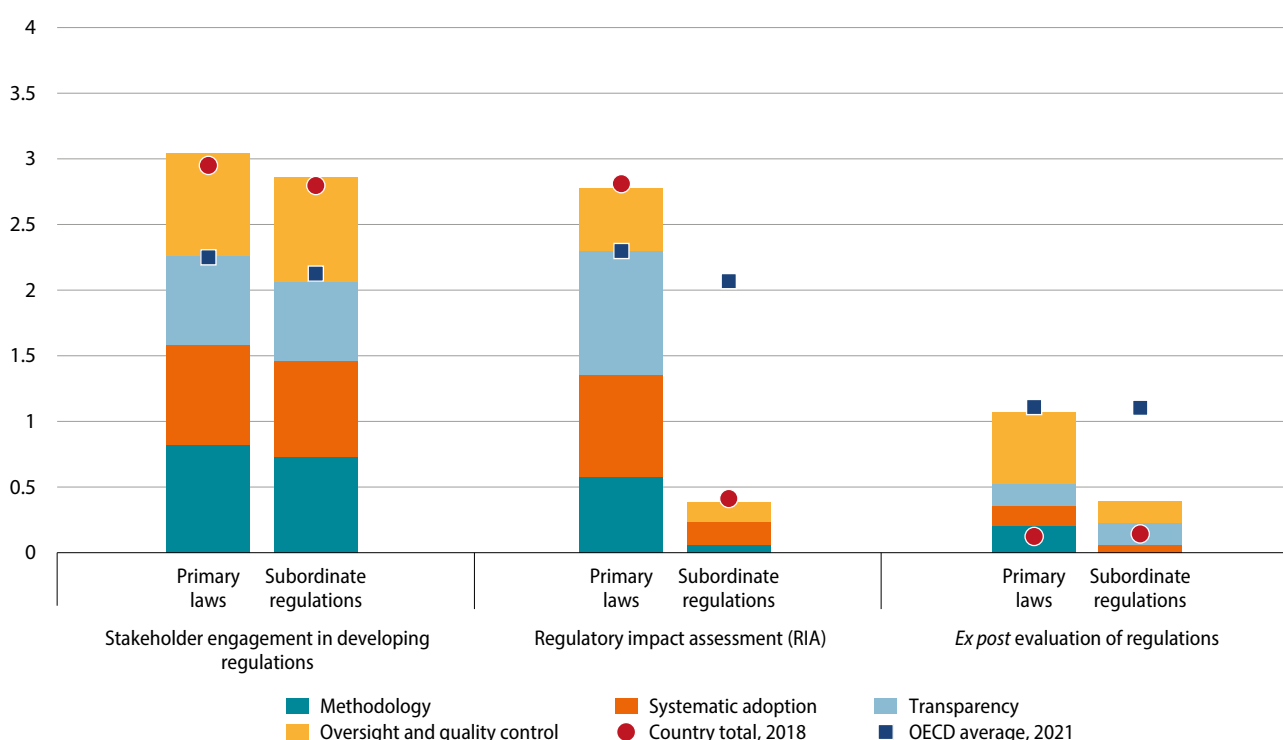
requiring regulators to assess a broad range of environmental and social impacts. If deemed necessary, a test analysing the impacts on SMEs is undertaken, focusing mostly on administrative costs. In practice, however, RIAs are not of sufficient quality due to a lack of analytical capacity in ministries. Croatia could consider creating analytical centres with "RIA champions" in the most important ministries to strengthen capacities and extend its RIA requirements to subordinate regulations.

The Government Legislation Office (GLO), located at the centre of government, is the central body responsible for a range of regulatory oversight functions. In addition to its existing role as co-ordinator of regulatory policy measures related to RIA, its mandate was extended in 2017 to include the quality control of *ex post* evaluation and in 2019 to include oversight of stakeholder engagement and management of the central consultation portal *e-Savjetovanja*. The GLO reviews all preliminary assessments and full RIA reports, including *ex post* evaluation RIAs, provides advice and can ask administrators to revise RIAs if the quality is deemed insufficient. The Office also publishes yearly reports on the performance of the Croatian RIA system. Furthermore, the Ministry of Economy and Sustainable Development performs a range of oversight functions focusing on impacts of regulations on small- and medium-sized businesses. The Ministry controls the quality of the SME tests included in the RIA and provides guidance and training on the test to civil servants.



INDICATORS OF REGULATORY POLICY AND GOVERNANCE (iREG): CROATIA, 2021

iREG score



Note: The more regulatory practices as advocated in the *OECD Recommendation on Regulatory Policy and Governance* a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (85% of all primary laws in Croatia).

Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, <http://oe.cd/ireg>.

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



Source: Indicators of Regulatory Policy and Governance (iREG) Survey 2021, <http://oe.cd/ireg>.

THE OECD REGULATORY INDICATORS SURVEY AND THE COMPOSITE INDICATORS

The data presented in the *Better Regulation Practices across the European Union 2022* report are the results of the 2014, 2017, and 2021 indicators of Regulatory Policy and Governance (iREG) surveys. The results from these surveys for OECD member countries as well as the European Union have also been presented in the 2015, 2018, and 2021 OECD Regulatory Policy Outlooks. Composite indicators and country profiles for the five EU countries that are not members of the OECD were published for the first time and are based on the data from the 2017 and 2021 iREG surveys.

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

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

The data underlying the composite indicators reflect practices and requirements in place at the national level of government, as of 1 January 2021. The indicators for stakeholder engagement and RIA relate to regulations initiated by the executive, while the indicator on *ex post* evaluation relates to all regulations. Whilst the indicators provide an overview of a country's regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the *Recommendation*. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (<http://oe.cd/ireg>).

Related links:

- Full report: [Better Regulation Practices across the European Union 2022](#)
- [Better Regulation Practices across the European Union 2019](#)
- [Indicators and underlying data and methodology](#)
- [Regulatory Policy Outlook 2021](#)
- [Recommendations and Guidelines on Regulatory Policy](#)
- [OECD Measuring Regulatory Performance Programme](#)
- [OECD work on regulatory policy](#)

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 <http://oe.cd/ireg>

