A REVIEW OF THE CROATIAN PUBLIC ADMINISTRATION REFORM

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Abstract

Public administration reform is a very important area of Croatian EU accession negotiations. The main criticism regarding the Croatian public administration is addressed towards its size and inefficiency. Public administration reforms run slowly. The existing legal and administrative system in Croatia is complex, and needs urgent simplification. Large discretionary powers lead to inefficiency and legal uncertainty, and provide incentives for corruption. Criticism is also referred towards the underdevelopment of local and regional self-government, and towards weak decentralization. Modernization of public administration (state administration, local self-government and public services), its full professionalization and provision of fast and reliable public services is an integral part of good entrepreneurial environment and a requirement for a better living standard of all citizens. Only by promoting a proactive way of thinking of state officials, the public administration can achieve its purpose, which is serving the citizens. In March 2008 the Croatian Government adopted "The Public Administration Reform Strategy" for the period between 2008 and 2011. This established a strategic framework for further reforms of state administration. This paper is a review of the Croatian public administration reform.

INTRODUCTION

Public administration is one of the strategically important areas of reform and of ongoing efforts of the Croatian Government. Modernization of public administration (state administration, local self-government and public services), its full professionalization and provision of fast and reliable public services is an integral part of good entrepreneurial environment and a requirement for a better living standard of all citizens. Open, reliable and transparent public administration is important for the Croatian joining of the European Union. Only by promoting a proactive way of thinking of state officials the public administration can achieve its purpose, which is serving the citizens. Most of the responsibilities for the absorbing capacity and the implementation of the acquis communitaire, as well as the efficient representation of Croatian interests in the European Union lie on the public administration. Competence, responsibility and motivation of public administration are a guarantee to the inclusion of Croatia in the EU as an equal member. In March 2008 the Croatian Government adopted The Public Administration Reform Strategy for the period between 2008 and 2011. This established a strategic framework for further reforms of state administration. The building of a modern public administration requires continued reforms in the direction of increasing the competence and effectiveness of public administration, increasing its expertise, professionalism, knowledge, and transparency; the fight against corruption, the development of electronic public administration and the overall reduction of operational costs by removing obsolete and by simplifying existing regulations.

The main objectives of the public administration reform highlighted by the Strategy are:

The increase in public administration efficiency.

The increase in the level of administrative services quality.

The increase in transparency and accessibility of public administration.

Strengthening the standards of the rule of law.

Strengthening of the social sensitivity of state administration regarding its citizens.

The increase in the public administration ethics and the reduction of corruption.

Use of modern information-communication technologies.

Inclusion of the Croatian state administration in the European administrative space.

The *Public Administration Reform Strategy* includes goals to be achieved by the reform of state administration, establishes the main areas and directions of the reform, analyzes the situation in these areas, establishes strategic measures to be implemented, holders of these measures, a timetable for their implementation, the necessary financial resources and monitoring and evaluation of reform implementation. The state administration reform is a continuous process which was already systematically begun to be implemented before the adoption of the Strategy, so its former results were highlighted in the Strategy.

To achieve these objectives defined by the *Strategy*, the reform of state administration continues in five main directions:

- 1. Structural adjustments of state administration include reductions of public administration, increase in its effectiveness i.e. cost savings, improvements of coordination, openness i.e. transparency of government to citizens and participation of citizens and civil society in the government.
- 2. Strengthening of laws and other regulations, their quality, planning, design, and the evaluation of the effects of new regulations and implementation legal regulation.

- 3. The new system of civil servants will provide a modern civil service. The emphasis of the system design is on measures of de-politicization and professionalization; on further system development and human resources management, fight against corruption and strengthening of civil servants ethics, the introduction of an incentive system of remuneration according to the results, and the reform of salaries in public administration.
- 4. Education and training of civil servants, in order to acquire new knowledge, skills and competencies required by the development of modern public administration. In addition, it provides for the establishment of appropriate administrative systems of education.
- 5. Simplification and modernization of administrative procedures, as well as the creation of electronic government (e-government).

To monitor the implementation of the *Strategy* of a public administration reform, the Croatian Government established a National Council for the Evaluation of the modernization of state administration. However, after the Ministry of Administration was founded in 2009, and took the responsibility for directing the process of reform and modernization of the entire administration, the National Council for the Evaluation of the modernization of state administration was abolished, and the monitoring of the implementation of the Strategy will be provided by the Ministry of Administration.

There are five recognized fields of Public Administration research:

- 1. Organizational Theory in Public Administration studies its institutional framework.
- 2. Ethics in Public Administration serves as a normative framework to decision making.
- 3. Public Budgeting is the activity within government that seeks to allocate resources.
- 4. Policy Analysis serves as an empirical approach to decision making.
- 5. Human Resource Management in Public Administration focuses on the state employees, their ethical standards, incentives, efficiency and merits.

The rest of the paper largely follows this structure and gives an overview of the reforms in the Croatian public administration.

1. REFORM OF THE INSTITUTIONAL FRAMEWORK

Within the public administration structural adjustments, few major topics are emphasized. Firstly, there is the need to reduce the overall size of the government in the economy. The overall government expenditures including all government institutions, ministries, agencies, public services, and public enterprises (with public administrative powers) etc. amounts to more than a half of the GNP. It is not necessary to strike the influence this has on the overall economic efficiency. So, it is of paramount importance to reduce the overall size of the general government at least to the more acceptable levels found in other similar transition countries. By reducing the size of the overall government expenditures, inevitably, its structure shall also be altered. The reduction of the public administration size implies the improvement of its efficiency. Simultaneously, the quality of the work done by the public administration should be improved too. This could be made possible only with the improvement in the coordination and coherence in the work of governmental institutions, the openness of the government to the citizens and the participation of citizens and civil society. An increase of the organizational effectiveness of public administration means to pursue the

principle that organizational boundaries between state administrations must not be visible to users of their services. In 2008 the number of ministries was reduced from 19 to 13. It was the first significant step that increased the organizational effectiveness of public administration.

Given the need to emphasize the development of state administration and administrative support for the decentralization, a Ministry of Public Administration was established in July 2009 in order to strengthen the management and administrative capacity of governmental bodies responsible for the state administration reform. The amendments to the Law on the Organization and Scope of Central Government Bodies established the Ministry of Administration, which took over the work from the Central State Administration Office.

The *Public Administration Reform Strategy* includes the revision of the organizational structure, management and functions of government bodies and related bodies (agencies) for the division of powers, and to determine which functions and powers should be performed in the state administration, and which can be rationally performed at other levels, or left to the market. This means the abolition of unnecessary functions, and the gradual transfer of necessary functions to non-government entities. The functional analysis was conducted in 10 central government bodies and 5 state administration offices, and most of the recommendations of the final report of functional audit, which are related to the organizational changes, were implemented. Based on the results of the functional analysis, it is necessary to identify and remove unnecessary function overlaps in the performance of certain governmental authorities and to reduce the number of managerial levels and thereby reduce the organizational fragmentation. In this way a sleeker and shallower and hopefully more efficient organizational structure could be achieved.

The Strategy also provides for the need to establish clear and uniform rules for the establishment and operation of public agencies. This also includes the preparatory work for the creation and regulation of public agencies in Croatia. Therefore, in September 2009, a working group was established consisting of representatives of different ministries. The Strategy provides measures to improve the coordination and coherence in the work of government bodies at central level and between the central state administration bodies and state administration offices in counties. Some of the measures have already been implemented. The Regulation on Internal Organization of the state administration in counties defined a formal form of cooperation between state administration offices. As a formal form of cooperation, it was established to regularly meet once in two months, and the meetings were attended by representatives of central state administration bodies.

The part that refers to the openness of the government to the citizens, strikes the need for further improvement in the transparency of public administration and more citizen participation. Access to information held by public authorities is a buffer against power abuse and corruption, and a challenge to create a more responsible administration. A considerable amount of information of public importance is given through governmental web pages. Furthermore, the government seeks in other ways to contribute to the informational needs of the citizens. The Centre for Training within the Department of Administration holds seminars for public officials, and actively participates in the International day "Citizens have a right to know" celebrated on 28th September.

The Information Access Right Law which Croatia adopted in 2003 ensures the citizens right to access information, and assures openness and transparency of public actions by public

authorities. In March 2009, the Croatian Parliament adopted a report on the implementation of the Information Access Right Law for the year 2008. According to the report data, the authorities received a total of 2.731 requests to access information, of which 2520 were accepted, 103 requests were declined, and 55 are pending, while 84 requests were transferred to other competent authorities. The report shows that public authorities gave the requested information in the majority of cases. Only a small minority of subjects was denied the requested information. In October 2008, the Croatian Government adopted a conclusion on the obligation of delivery of quarterly reports on the implementation of the Information Access Right Law. The preparatory work for drafting amendments to the Information Access Right Law is under way. This work is based on the observations collected by government bodies, the City of Zagreb and other relevant bodies who observed deficiencies in the application of the Act.

The new system should provide for a modern public administration. The design of the system puts emphasis on measures of de-politicisation and professionalization, system development and human resources management, it should fight corruption and strengthen the ethics of civil servants, it should remunerate public servants according to their results.

The implementation of the legislation on the de-politicization of the civil service (which began by modifying the system of state administration and the adoption of the Law on Civil Servants) is fully completed. In the process of de-politicization, the number of political appointment positions was reduced so that the roughly 200 town officials became civil servants management positions. In February 2008 the Government amended the regulations dealing with the classification of jobs in the civil service which were the conditions prescribed for the appointment of senior civil servants. After the analysis of job descriptions in all state administration bodies, the Regulation on the classification of jobs in the civil service a job description form was published on the Ministry of Administrations website. The government has pledged all government bodies to complete the analysis of the number of employees according to the presented classification structure in order to determine the number of employees arising from the obligations of the Republic of Croatia towards the European Union. The strategy of a civil service human resource development is in preparation.

2. LOCAL SELF-GOVERNMENT REFORM

In achieving the objectives of the reform, it is necessary to pay equal attention to local government and state administration. The present territorial organization of local self-government units is inadequate. The system is organized in 21 counties including the City of Zagreb, and 425 municipalities and 124 cities. Numerous municipalities lack the fiscal strength to build the necessary administrative capacity to perform even the most basic tasks.

In October 2007, the Croatian Parliament adopted a Law, which provides for direct elections of the mayors. The Law on Local and Regional government, which primarily regulates the relationship between directly elected executives - the municipal mayor, the city mayor, and the mayor of the City of Zagreb and the representative bodies of local and regional governments. The introduction of the new electoral model allows citizens to directly elect the holders of executive power and contributes to greater transparency in their election. In May 2009 local elections, the new electoral model was implemented for the first time. Voter turnout was higher and the new model stopped the downward trend in the turnouts.

In October 2009 an analysis of local and regional governments established criteria for their sustainability analysis, and prepared changes in the existing regional structure in Croatia. On 7th December 2009 a round table on "The Territorial organization of Croatian Government" was held by the Ministry of Administration. It requested a detailed analysis of all parameters that could be a criterion for determining the potential for territorial reorganization. The practice shows that some local governments are hardly to meet the needs of citizens because they have no adequate administrative and financial capacities, and the complete reform of local government should go in the direction of development of more transparent, efficient, responsive and responsible local government. Rationalization of territorial organization wants to achieve a reduction in overall administrative costs of local government and strengthen their administrative and financial capacity.

Within the CARDS 2003 Program, the project "Strengthening of the Administrative Capacity" the National Strategy calls for functional and fiscal decentralization and human resource development, which was presented at the final conference in May 2008. The above strategic document was accompanied by a sector report (for Health, Education and Welfare). The project tried to improve the overall institutional and legal framework for decentralization, and improve the overall coordination and monitoring of the decentralization process. Under the 2nd Component of the CARDS Project, an assessment of public officials and civil servants training in local and regional governments was made and a testing was conducted on educational needs in local governments, and based on the results of the national strategy of education in local governments.

As a member state of the Council of Europe, Croatia is the signatory to the European Charter of Local Self-Government. Croatian Parliament adopted the Law on Ratification of the European Charter of Local Self-Government in September 1997. European Charter was not ratified in its entirety, but in accordance with its Article 12, a contracting party has to ratify 20 articles. However, on 16th May 2008 the Croatian Parliament adopted the amendments to the Law and doing so ratified the European Charter in its entirety.

During 2008, the Law on Officials and Employees in Local and Regional self-government was enacted. The *Bill on Regional Development* is in procedure, and it would be in line with the legislative basis from the field of regional development characterized by fragmentation and lack of coordination. The law would regulate the goals and principles of management of regional development. The Law should constitute the legal basis for regional development activities and reflect the basic orientation and objectives of regional policy. The law should provide a basis for introducing the general principles of EU regional policy, to create a basis for coordination of special legislation in the field of regional policy and provide the foundation for future programming and use of EU Structural Funds at regional level.

3. THE NEW DIGITAL ERA GOVERNANCE AND E-ADMINISTRATION

One of the basic elements of public administration reform is the introduction of electronic administration, whose role is to facilitate the provision of services to citizens and other parties, and which guarantees transparency and efficiency.

Simplification and modernization of administrative proceedings is the next field of reform designated by the Strategy. This reform refers to the simplification of administrative proceedings and better realization of the rights of the parties and also strengthening the role of

electronic government in economic development. For the purpose of simplification and modernization of general administrative proceedings, in the first half of 2009, a new General Public Administration Procedure Law was enacted. Its implementation will start on 1st January 2010. The Proposal of the Law was created under the CARDS 2003.

Implementation of education for the new General Public Administration Procedure Law is done under the IPA component - Transition Assistance in strengthening institutions for year 2008, with the support of SIGMA.⁶⁸

Application of the new General Public Administration Procedure Law is a topic of one-day seminars organized by the Ministry of Public Administration in cooperation with the SIGMA (Support for Improvement in Governance and Management) for the leading officials of state administration and local and regional governments. Seminars were held in early December in Zagreb, Split, Opatija and Osijek. The aim is to introduce the target group with the new General Public Administration Procedure Law, its course and the subtypes of administrative proceedings, legal remedies and judicial protection in administrative proceeding, and giving insights into international experience in the reform of administrative proceedings.

To reduce the percentage of administrative acts abolished in second-instance proceedings due to the violation of rules of procedure, special attention is paid to the education of the administration officers. The Strategy envisages the introduction of a special professional examination for officers who lead administrative procedures, and prescribes the legal profession as a condition of employment.

The joining of the EU must create a public administration "without parties in the corridors", i.e. to enable the performance of all tasks and communication with public administration electronically. So far, the results achieved in implementing e-government (e-justice, e-Cadastre, e-taxation, e-customs, e-Regos) are the best argument for the further intensification of such activities. Opening the modern communication channels between public and private sector, accelerate operations and communications with the public administration, as has already been achieved with the www.hitro.hr service, a strong contribution to the reform of state administration, and an improvement of the entrepreneurial climate. Also, essential activities, such as a continuous publication in electronic form of official forms of state administration bodies, which citizens and businesses may submit via public telecommunication networks, training of civil servants in the area of application of information technology (implemented by the Center for Training Officer) and computerization of state administration offices in counties, is also carried out.

A new Regulation on Office Operations was adopted, and its implementation began on 1st January 2010. It is an adaptation of the administrative work to the IT requirements of the administration. It introduced the possibility of electronic communication between citizens and government bodies, and the possibility of using electronic signatures.

Countries) is a joint initiative of the OECD Centre for Co-operation with the Economies in Transition and the European Union's Phare Programme. The initiative supports public administration reform efforts in thirteen countries in transition, and is financed mostly by Phare.

⁶⁸ SIGMA (Support for Improvement in Governance and Management in Central and Eastern European Countries) is a joint initiative of the OECD Centre for Co-operation with the Economies in Transition and the

4. REFORM OF THE NORMATIVE FRAMEWORK

The second fundamental area of the planned strategy includes the strengthening of laws and other regulations, their quality, planning, design, and the evaluation of the effects of new regulations and implementation legal regulation. In order to strengthen the functions of strategic planning, the Strategy envisages the establishment of units for strategic planning within the state administration or the introduction of the strategic planning function in one of the existing organizational units. Moreover, other goals are: defining the strategic priorities of state government and the establishment of permanent progress monitoring of the fulfilment of the obligations set out in the Plan, and the education of government officials on strategic planning. Some government bodies have set up units for strategic planning, and the education on the strategic planning is continuously carried out at the Centre for Professional Development and Training of Civil Servants at the Ministry of Administration, under the leadership of civil servants. In addition, a special program for strategic planning has been developed. Comparing Croatia to the European Union, during the preparations of the bill, the last phase of preparation of sectoral and other policies was largely absent, and the ministries began to create the draft bill without sufficient prior analysis. The Strategy identified the need to prepare the gradual introduction of the proposal (with concept designs, possible options, impact assessment and its implementation).

The citizen and stakeholder participation in public debates is very important. Procedures and instruments for checking the quality of new regulations with a view to the adoption of each new regulation, its impact on economic activity and its costs, should be established. The Croatian Government Rules and procedures introduce the obligation of assessment of the effects (financial, economic and environmental impacts and effects on the economy) of laws and other regulations before their implementation. A systematic approach is necessary to review the existing regulations in order to eliminate unnecessary and outdated ones, and in order to reduce operating costs, remove the barriers to investment, and what is particularly important, reduce the number of potential sources of corruption. Therefore, the strategy envisages the continuation of the analysis of existing regulations and elimination of provisions that limit economic development and the rights and freedoms of citizens. In this regard a policy named Hitrorez (literally meaning "speedy cut") has been put up. To ensure the implementation quality of adopted laws, and to address the delay problem in the adoption of subordinate legislation, special attention is devoted to education of officials in the implementation of laws and other regulations and in the monitoring of their implementation. Also, the strategy is determined by the needs of monitoring the by-laws, and it is therefore compulsory to create an overview of regulations and sub-regulations and deliver it to the Croatian Government. Within the implementation of the State Administration Reform Strategy a normative framework shall be established. This means a series of new regulations or a revision of the old ones in a way to comply with the existing EU "acquis" in the process of accession, but also to reform and modernize the state administration.

Special attention was paid to the reform of administrative procedures by a new Law on General Administrative Procedures. The new Law on General Administrative Procedures was passed in March 2009, and the application will start on 1st of January 2010. A new Office Business Regulation was adopted, regulating the electronic functioning of the public administration. It introduced the possibility of electronic communication between citizens and state administration bodies and the possibility of using electronic signatures. The application

of the regulation begins on 1st January 2010. A new Law on Administrative Inspection was adopted, which prescribes a continuous inspection. At the same time, it strengthens the organizational structure of administrative inspection within the Ministry of Administration.

During the early 2009 The Civil Servants Salaries Bill was sent to the Croatian Parliament. During the process in Parliament were presented complaints about the need for more precise criteria for assessment. It was requested from the SIGMA to produce comparative studies on best EU practices in terms of public servants evaluation. This was submitted to the Ministry of Administration in September 2009. The Government has not given up on passing this legislation although it passed the deadline for submission for a second reading to the Parliament. The Government is actually considering the possibility of making a unified law on salaries for the entire public sector (civil service, local self-government, public services).

Salaries in Local and Regional Government Bill were also discussed in the first reading session of the Croatian Parliament, and on 30th July 2009 it was passed to accept the conclusion that the proposal, and all comments, suggestions and opinions will be sent to the proponent for the preparation of the final bill. The preparations for the changes of the Information Access Right Law are under way. Furthermore, in May 2009 the Croatian Government adopted a report on the state of resolving administrative cases in the state administration during the 2008, which shows that the state administration received 6.733.267 administrative cases in first instance, of which it resolved 6 074 985 cases, or 90%.

5. REFORMS IN HUMAN RESOURCE MANAGEMENT

In the area of human resource management, the Strategy determined the need to provide a greater degree of decision-making decentralization and a greater individual responsibility of civil servants regarding the achievements of the goals set by a negotiated set of plans and a more accurate determination of their work assignments and duties. In addition, it identified the need to provide objective and measurable criteria for performance judging and the introduction of the system of efficiency remuneration. The new system of salaries (defined by the Law on Civil Servant Salaries) should ensure merit based and consistent remuneration policy for the entire state administration. Presently, there is no instituted system of incentives based on performance or merit. Years of service and the education degree appears to be the main factor determining the salaries which is a strong disincentive on attracting and retaining young people and qualified experts. The Government of Croatia passed a decision in July 2009 banning the employment of new civil servants and employees in state administration bodies until the adoption of the Croatian state budget for the year 2010. The ban does not apply to the newly established Ministry of Administration and the employment of civil servants who are required to carry out the commitments towards the European Union. Combating corruption and strengthening the ethical levels in the civil administration are the main goals of the Strategy. A Civil Servant Code of Ethics was passed and all governmental and judicial bodies appointed a Commissioner for ethics. Their task is to monitor the implementation of Code of Ethics. These officials give advice on ethical behaviour, they receive complaints about officials and citizens on unethical or corruptive behaviours, and they record and investigate complaints. Attention is paid to further promotion of ethical principles in public administration. Amendments to the Code of Ethics were passed in November 2008. The Ethics Committee was established as an independent body that promotes ethical principles in public bodies. The Commission has six members, and is made by the representatives of civil servants, trade unions, professionals of the Croatian Parliament and NGOs. In May 2009, there was the first meeting of the Ethics Committee which adopted the rules and the procedures, an activities plan, and the President of the Commission was elected.

The Centre for Professional Development and Training continues the education to strengthen the ethical standards of civil servants and raise the awareness about the negative effects of corruption. An education program for trustees of ethics was made, which includes an introduction to basic concepts of combating corruption, the Code of Ethics, etc. Furthermore, the changes in the Civil Servants Law determined the penalty of a compulsory termination of the civil service for civil servants sentenced with corruption and prescribed the protection of officials exposing the cases of corruption (the Whistleblowers).

In March 2009 the Law on Amendments and Supplements to the Law on Conflict of Interest in the Performance of Public Duties was passed, which stipulated that members of the Commission for the Conflict of Interest elected the deputy president of the Commission from among prominent public officials in order to achieve greater independence of the Commission.

In terms of ethnic minorities' representation in public administration, the state administration bodies employed a total of 2.137 persons belonging to some national minority.⁶⁹ The Centre for Training of civil servants at the Ministry of Administration held training programs for civil servants on the topics of "Legal protection of national minorities" and "The constitutional protection of human rights and civil liberties." In 2008, the Law on Officials and Employees in Local and Regional self-government stipulated that the local government units have to plan the admission and availability of jobs in governing bodies for ethnic minorities, and the employment plans require a certain number of persons belonging to national minorities to assure their effective representation, in accordance with the Constitutional Law on National Minorities and the law regulating the system of local and regional governments. Members of national minorities shall be guaranteed the right of representation in representative and executive bodies of local and regional governments in accordance with the Constitutional Law on National Minorities, the Law on Election of members of representative bodies of local and regional (regional) governments and the Law on Local and Regional self-government. The local and regional governments in which an adequate representation of national minorities in representative bodies was not provided by the regular local elections held on 17th May 2009, an additional election for representatives of national minorities was held on 6th December 2009.

Education and training of civil servants, in order to acquire new knowledge, skills and competencies required by the development of modern public administration is an important area of reforms envisaged by the Strategy. The Strategy provides for the establishment of appropriate administrative systems of education, emphasizes the need for systematic implementation of professional training of civil servants at all levels and in all government bodies through general and specialized training programs. Permanent Training of civil servants in acquiring new knowledge and skills necessary for personal professional development and career progression is a key factor in the development of human resources, and thus increases the efficiency and quality of work in the public administration in general. Nevertheless, it is open to debate whether such a model is optimal, since Croatia has a well institutionalised and cost-effective system of universities. A parallel system of education

⁶⁹ Ministry of Public Administration data, August 2009.

implies the employment of additional staff in all ministries and in particular at the Ministry of Administration, with all the problems parallel systems bring. These reforms are mainly headed to establish a comprehensive system of administrative education. While special attention is paid to IT literacy, language learning, learning about the role and functioning of a modern public administration, about public administration practices in developed market economies, and especially important to raise the level of knowledge about EU institutions, EU acquis and the challenges of its implementation.

In collaboration with the University of Zagreb, the Government organized a one-year postgraduate and professional study, "Public Administration". The first group of students began to attend the studies during the academic year 2006/2007. Furthermore, the Strategy envisages that the Regulation on the classification of job vacancies requires the professional bachelor's degree of Public Administration, the degree of a Master of public administration or a degree of a specialist of public administration, and this is generally regulated by the Regulation on Amendments to the Regulation on the job classification from July 2008.

During 2009 the education of civil servants has continued at the Center for Training of Public Officials, as well as education of local officials through the Academy of Local Democracy. In February 2009 the Plan was adopted to train civil servants in 2009, whose implementation is entrusted with the Ministry of Administration, Center for Professional Education and Training Section. A catalogue of training programs was made for 2009, and was distributed to all government bodies. It was also published on the website of the Ministry of Administration and is thus available to all civil servants. A report draft on training needs for 2010 was made, as well as a training plan for civil servants for 2010. The most popular training programs are related to IT skills, foreign languages, training of management skills, administrative procedures and communication skills. In addition to the general education programs, various other specialized programs and specialized one-day and two day seminars were conducted.

In April 2009, a seminar with the purpose of training on a comprehensive insight into current legislation on public access to information was held at the Center for Vocational Education and Training Section. The seminar was organized for officers who perform these tasks in the state administration. In early December a seminar was held (in Zagreb and other cities) related to the implementation of the new Law on General Administrative Procedures. A workshop "Introduction to the new system of executive authorities at the local level" was held on the future direct election of executive leaders in local and regional self-government. The workshop was organized by an association of municipalities with the aim to introduce representatives of local self-government with a new executive at the local level, and the challenges it brings. In January 2009, in The Centre for Professional Education and Training, a section of a Harvard Executive Education Program was held on the theme: "21st Century Governance: Critical Skills for Leading and sustaining Innovative Organizations." The program is organized by the Harvard Kennedy School, Cambridge, USA. Also, in November 2008 an International Agreement establishing the Regional School for Public Administration (ReSPA) in Podgorica was signed. The agreement was signed by the representatives of Croatia, Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, and in the presence of the representatives of the European Commission. ReSPA thus becomes an international organization with headquarters in Danilovgrad in Montenegro, with the goal of improving regional cooperation in the field of public administration, of strengthening the administrative capacities and human resources development in accordance with the principles of European administrative space.

6. CONCLUSION

The public administration reform is a compulsory obligation of the Croatian Government. It also bears the ultimate responsibility for the timeliness, appropriateness and content of the reform measures and their implementation. The government conducts surveillance strategies to achieve the reform of the state administration, and the evaluation of results is carried out at least once in six months.

For the political and technical support of the reform of state administration the National Council for the Evaluation of the Modernization of State Administration was established. However, the establishment of the Ministry of Administration, which is responsible for directing the process of reform and modernization of the entire administration, abolished the National Council, and took over its responsibilities. Each government body is responsible for implementing measures within their competence, and the implementation of measures to inform the Croatian Government and the Ministry of Administration. The reform evaluation results are given on an annual basis, while the revision of the Strategy and the making of proposals on amendments to the Strategy are given after about two years from the date of its adoption.

The new public administration system should provide a modern civil service. The system design puts emphasis on measures of de-politicization and professionalization, human resources and system development; it is designed to be transparent and to repel corruption and strengthen the ethics of civil servants. It tries to regulate the remuneration of the public servants according to the results. Croatia has a national interest in pursuing those goals, not only for the sake of joining EU but for the sake of the development of its own governance as a prerequisite of its own socio-economic development.

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