



European  
Commission

## Supporting reforms in

# CROATIA

DG REFORM

February 2021

Since 2017, the European Commission has provided expertise to help design over 1000 reform projects in 27 Member States through the Structural Reform Support Programme. As of 2021, the Technical Support Instrument (TSI), its successor, continues to support reforms with an emphasis on the green and digital transitions. The TSI can also support the preparation and implementation of Member States' Recovery and Resilience Plans.

**13**  
PROJECTS

## NEW PROJECTS UNDER TSI 2021

In the first round of the TSI, the Commission will support Croatia with 13 projects in the areas of sustainable growth, public finances, fair taxation, business environment and state-owned-enterprises, macroeconomic statistics, justice, digital public administration, education, health as well as the preparation for euro-area membership.

### Examples of new projects adopted include:



Optimising  
state property  
management



Modernising judicial  
processes and protecting  
fundamental rights



Expanding and  
improving the  
utilization of  
telemedicine  
services



Simplifying  
and reducing  
administrative  
and financial  
burden on  
taxpayers



Enhancing risk-  
based supervision  
of anti-money  
laundering and  
financing of  
terrorism

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PROJECTS

## COMPLETED AND ONGOING REFORM PROJECTS

Croatia has so far benefited from 65 projects financed under the predecessor of the TSI, the Structural Reform Support Programme (SRSP). This support has addressed a broad range of policy areas, including public financial management, public administration, justice, business environment, social services, healthcare and education. A particular focus has been on the management of state-owned enterprises, challenges in the provision of social services, budget preparation and financial supervision. To date, more than 30 projects have been successfully concluded. Examples of successful reform projects include the following:



### ➔ Reducing administrative burden for businesses

The European Commission supported Croatia in reducing administrative burden on companies. The programme provided expertise through three consecutive projects. The first one focused on simplifying business registration, which led to the creation of the online platform called "Start". The second ongoing project aims to further simplify procedures for business entry and improve regulatory framework for businesses. Building on the previous work, the third project will lower compliance costs through digitalized services for business licensing.



### ➔ Improving quality of the state budget preparation process

The European Commission supported Croatia in strengthening the capacity of the State Treasury and the staff involved in the budget preparation process. The programme provided on-the-job support, training, and helped to draft guidelines to enhance the quality of budget justifications and improve the accuracy of budget indicators. As a result of this project, Croatia has improved the quality of the state budget preparation and spending of taxpayers money.



### ➔ Restructuring state-owned enterprises

The European Commission supported Croatia in restructuring and improving the performance of state-owned enterprises. As a result of this project, the authorities were able to prepare standardized plans and programmes for restructuring of companies and for improving their financial and operational performance. The project also helped to establish a system to monitor the implementation of these plans in a number of strategic state-owned enterprises and an early warning mechanism for those enterprises running into financial difficulties. It has contributed to improve the management of state-owned enterprises, and to a better use of company resources.

