

Procurement Monitoring Report Template

In view of the Member States' reporting process under the Directives 2014/23/EU, 2014/24/EU and 2014/25/EU

Fields marked with * are mandatory.

I. Information about reporting authority

By clicking in this box you indicate that you have read the privacy statement and provide your consent for the processing of your personal data

[EUSurvey_Privacy_Statement-2020.pdf](#)

* Country

Croatia

* Name of National Authority

The Ministry of Economy of the Republic of Croatia

* Name of Unit/Department

Directorate for Public Procurement Policy

* E-mail address

Name of contact person (not published)

E-mail address of contact person (not published)

II. The public procurement framework

1. Legal framework

- * Please indicate links to the main legal instrument implementing the public procurement Directives and its main amendments that occurred during the current reporting period.

5000 character(s) maximum

Please list the links in the text box below. You can link multiple links.

Public Procurement Act and its amendment:

https://narodne-novine.nn.hr/clanci/sluzbeni/2016_12_120_2607.html

https://narodne-novine.nn.hr/clanci/sluzbeni/2022_10_114_1740.html

2. Procurement institutional framework

Please provide key bodies and institutions regarding public procurement matters, in charge of:

	Relevant bodies <i>(multiple entries possible)</i>
Body of normative regulatory function (including transposition) and policy development	The Ministry of Economy of the Republic of Croatia, Directorate for Public Procurement Policy
Bodies responsible for monitoring and reporting	The Ministry of Economy of the Republic of Croatia, Directorate for Public Procurement Policy The State Commission for Supervision of Public Procurement Procedures (annual report from its scope of work)
Review bodies	The State Commission for Supervision of Public Procurement Procedures
Bodies responsible for the e-procurement and the functioning of the public procurement web portal	Narodne novine d.d., Official Gazette of the Republic of Croatia
Centralised procurement bodies	The Central State Office for Central Public Procurement
Competence centres	The Ministry of Economy of the Republic of Croatia, Directorate for Public Procurement Policy - conducts exams and issues certificates in the field of public procurement The State school for public administration and 58 other private authorized training program holders - conduct specialist training programs and regular training programs
Other bodies	The Croatian Agency for SMEs, Innovation and Investments (HAMAG-BICRO) Ministry of Environmental Protection and Green Transition, Directorate for Climate Activities - promotes green public procurement

III. Key quantitative indicators on public procurement

1. The total number of awarded contracts

Total number of contracts awarded **above** EU thresholds (in a yearly breakdown)

	2021	2022	2023
Number	10.439	10.895	10.981

* Please describe the methodology on collection of data and/on the source (in case of a database(s)) of data collected:

5000 character(s) maximum

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years.

Total number of contracts awarded **below** EU thresholds (in a yearly breakdown)

	2021	2022	2023
Number	16.814	17.513	19.968

* Please describe the methodology on collection of data (in case of assessment based on a sample) and/on the source (in case of a database(s)) of data collected:

5000 character(s) maximum

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years.

2. The total value of procurement

Total value of contracts awarded **above** EU thresholds (in a yearly breakdown)

	2021	2022	2023
Value (in EUR million)	33.098.709.535 kn (4.454.738.834 EUR)	46.083.168.391 kn (6.128.080.903 EUR)	7.785.950.393 EUR

* Please describe the methodology on collection of data and/on the source (in case of a database(s)) of data collected:

5000 character(s) maximum

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years. Values are without VAT. For values in 2021 in euro, exchange rate of 7,43 is used, and in 2022 exchange rate of 7,52 is used according to the Communication from the Commission: Corresponding values of the thresholds of Directives 2014/23/EU, 2014/24/EU, 2014/25/EU and 2009/81/EC of the European Parliament and of the Council (2019/C 370/01 and 2021/C 457/01). Croatia has adopted euro in 2023 as a national currency.

Total value of contracts awarded **below** EU thresholds (in a yearly breakdown)

	2021	2022	2023
Value (in EUR million)	13.532.950.605 kn (1.821.393.083 EUR)	16.984.844.074 kn (2.258.622.882 EUR)	3.052.980.370 EUR

* Please describe the methodology on collection of data (in case of assessment based on a sample) and/on the source (in case of a database(s)) of data collected:

5000 character(s) maximum

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years. Values are without VAT. For values in 2021 in euro, exchange rate of 7,43 is used, and in 2022 exchange rate of 7,52 is used according to the Communication from the Commission: Corresponding values of the thresholds of Directives 2014/23/EU, 2014/24/EU, 2014/25/EU and 2009/81/EC of the European Parliament and of the Council (2019/C 370/01 and 2021/C 457/01). Croatia has adopted euro in 2023 as a national currency.

IV. Sources of wrong application or of legal uncertainty (including possible structural or recurring problems)

1. Preparation and launch of a public procurement procedure:

Which are the main sources of wrong application (or aspects with which legal uncertainty is related)?

In case your answer to question 2, 7, 8 or 9 is yes, additional options will appear.

- 1. Preliminary market consultation
- 2. Estimation of contract value (if yes, please specify below)
- 3. Wrongful setting of deadlines
- 4. Inappropriate selection criteria (too restrictive, tailor made for a particular economic operator, not related to subject matter of contract)
- 5. Discriminatory technical requirements
- 6. Conflict of interest
- 7. Procedures without publication (if yes, please specify below)
- 8. Inappropriate use of specific procedures (if yes, please specify below)
- 9. Other issues (if yes, please specify below)

Indicate best practices that are aimed at mitigating the issues identified in the previous answers and provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

In case your answer to any of the question in this section was 'Yes', please provide further information on these elements, if applicable. You can list multiple links separated with 'enter'.

Development of standardized procurement provisions, clauses or templates, including bid forms, contract models, and compliance documents, making it easier for bidders and reducing the time and effort needed to prepare bids.

The Electronic Public Procurement Portal of the Republic of Croatia (hereunder: EOJN RH), operational as a pilot since October 1 2023 and mandatory for all stakeholders since January 1, 2024, in which we implemented new eForms and ESPD v3, is designed to ensure that bidders submit only the documents and information required by the procurement documentation. The system guides bidders through the submission process. The ESPD is presented as a set of questions and answers relevant to the specific procurement group/subject. Furthermore, the system verifies entered data against previously provided information. Once data is entered, the system follows a "once-only principle," automatically populating the necessary fields. In addition to the web platform, bids can also be submitted via a mobile application. Public bid openings are accessible to all interested parties through the EOJN RH. The entire process, from planning, prior consultation, procedure, to the contract registry, is managed through a single platform. Economic operators can express interest in specific procedures, consultations, or procurement plan items and receive free notifications about all actions within their favoured procurements. For bidders lacking experience in bid submission, a demo version is available to help them familiarize themselves with all the platform's functionalities. The demo version of the EOJN RH and the bidding process in Croatia are free of charge for economic operators. Also, instructions for users are available on EOJN RH, which textually and visually, step by step, guide users in detail through the user interface of EOJN RH.

2. Evaluation of tenders and contract award:

Which are the main sources of wrong application (or aspects with which legal uncertainty is related)?

In case your answer to question 8 is yes, additional options will appear.

- 1. Unlawful exclusion of tenderers/rejection of offers
- 2. Non compliance with mandatory exclusion grounds
- 3. Unlawful exclusion of third country bidders covered by GPA or by other international agreement
- 4. Incorrect evaluation of award criteria
- 5. Incorrect application of rules related to abnormally low tender
- 6. Lack of publication of contract award notice
- 7. Unlawful modification of the tender conditions before conclusion of the contract
- 8. Other reason (if yes, please specify below)

8. Other reasons, please specify:

5000 character(s) maximum

- failure of the contracting authority to create clear, precise, comprehensible and unmistakable procurement documentation
- the truthfulness of the data submitted in the bids related to the technical and professional ability and the award criteria, especially the experience of economic operators and the experience of experts and the technical characteristics of the offered subject of procurement

Indicate best practices that are aimed at mitigating the issues identified in the previous answers and provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

In case your answer to any of the question in this section was 'Yes', please provide further information on these elements, if applicable. You can list multiple links separated with 'enter'.

3. Contract implementation:

Which are the main sources of wrong application (or aspects with which legal uncertainty is related)?

In case your answer to question 2, or 3 is yes, additional options will appear at the end of STAGE 3 to provide further details.

- 1. Illegal contract modifications
- 2. Wrong application of procurement instruments (if yes, please specify below)
- 3. Other reasons (if yes, please specify below)

Indicate best practices that are aimed at mitigating the issues identified in the previous answers and provide a link to any publicly available document relevant for the issues you indicated.

In case your answer to any of the question in this section was 'Yes', please provide further information on these elements, if applicable. You can list multiple links separated with enter.

4. Problems that may originate at different stages:

Which are the main sources of wrong application (or aspects with which legal uncertainty is related)?

In case your answer to question 4 is yes, additional options will appear.

- 1. Wrong application of centralised or joint procurement
- 2. Failure to comply with legal deadlines (prescribed by EU or national law)
- 3. Biased prior involvement of candidates or tenderers
- 4. Other issues (if yes, please specify below)

Indicate best practices that are aimed at mitigating the issues identified in the previous answers and provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

In case your answer to any of the question in this section was 'Yes', please provide further information on these elements, if applicable. You can list multiple links separated with enter.

5. Which are the specific legal provisions of EU public procurement law that raise problems?

Directive 2014/23/EU ('Concessions Directive')

Directive 2014/24/EU ('Classical Directive')

Directive 2014/25/EU ('Utilities Directive')

Directive 2007/66/EC ('Remedies Directive')

Please list the articles of the Directives and describe the issue you face (e.g., unclear, too strict/vague, meets contradictory interpretations or practices):

5000 character(s) maximum

Directive 2014/23/EU:

Article 8: We propose to prescribe instructions on what to do with contracts that do not contain the estimated value of the concession, i.e. how to properly determine whether there are significant changes to the concession contract when requesting the amendment of such contracts, since in order to verify the stated condition, it is necessary to determine a 50% increase compared to the original concession.

Article 43 Par. 3: We propose to prescribe or amend the paragraph on indexation in more detail in such a way as to prescribe that the contracting authority has the right to calculate average inflation in concession contracts that do not contain an indexation clause, since currently concessionaires are not forced to agree to the above, but refer to the acquired rights from the contracts, according to which they are not obliged to agree to the indexation of the concession fee.

Article 43 Par 1b: In the case of contracts that contain the estimated value of the concession, we propose to clarify/prescribe in more detail how to correctly compare the estimated value of the concession from the original concession contract with the new estimated value of the concession in the amended contract, i.e. which concession period needs to be taken into account.

Article 42: We propose to amend Article 42 it prescribes the possibility of subcontracting in such a way as to prescribe how much of the main concession contract can be subcontracted as a percentage, since it can be interpreted from the existing article that the entire concession contract can be subcontracted, which, in our opinion, loses the meaning of both the basic contract and the subcontract.

General amendment: We would also suggest that consideration be given to the creation of some kind of manual/instruction/act of a lower order that would define in more detail or determine the treatment of instructions regarding the same.

Directive 2014/24/EU:

Article 51: Shorten the publication time of Notices in TED to speed up high-value public procurement procedures

Article: 2: Add definitions of strategic public procurement, socially responsible public procurement, green public procurement, sustainable public procurement.

Article 2: Add definition of irregular, unacceptable, inappropriate bid

Article 2 (4a): Due to the lack of a definition of general interest, the bodies governed by public law are interpreted differently

Article 63: Legal entities on which the contracting authority relies and execute part of the contract due to their ability, so they are essential for the execution of the contract, yet their role is vaguely defined.

Article 57: Unclear and could meet contradictory interpretations. What should be precisely understood by grave professional misconduct?

Article 82 (6): what is meant by dialogue between jury members and candidates when the anonymity of the candidates must be ensured? The dialogue is usually an oral discussion, which is inadmissible in this case because the candidate's identity is revealed.

General amendment:

Merging the classic and sectoral directives into one while maintaining flexibility for contracting entities.

Ajusted procurement thresholds aligned with global trade and economy.

Foresee exemptions from the application of rules in crisis situations (pandemics, earthquakes, fires, floods, etc.)

In light of the rulings of the Court in case C-652/22 Kolin (HR case) and upcoming ruling C-266/22 CRRC Qingdao (RO case), explain the third country participation in EU procurement procedures and their right to seek legal protection.

Further clarify the definition of public-law entities (associations, non-profit and religious organizations, various voluntary societies, etc.) with necessary caution!

Considering that 40 legislative sectorial files are currently in force, with 13 more in preparation, align these rules with procurement rules, e.g., introducing new exclusion grounds that are clear and removing such provisions from sectorial dossiers. Also, for green criteria, etc. Should Annex XIII be updated according to Article 68.3.

Article 1 paragraph 3 of Directive 86/665/EC, which stipulates that Member States ensure that, according to detailed rules that may be established by Member States, legal protection procedures are available to at least every person who has or had an interest in obtaining a certain contract and which has suffered or may suffer damages due to the alleged infringement.

The Republic of Croatia transposed the aforementioned provision in its entirety. The aforementioned provision causes conflicting interpretations (related to the interpretation of the term "final exclusion" and "obtaining a certain contract"), which have not been completely removed by the practice of the Court of Justice of the European Union, since the judgments refer to legal systems in which the appeal procedure is not procedurally and institutionally in the same way arranged.

6. Which are the patterns and behaviours that do not stem from wrong application or of legal uncertainty, but indicate possible problems in the application of public procurement rules?

In case your answer to any of these questions is yes, additional options will appear below to provide further details.

- 1. Preference for lowest price as award criteria negatively affective quality of the purchase (if yes, please specify below)
- 2. Frequent use of derogatory procedures (if yes, please specify justifications used for derogatory procedures)
- 3. Frequent use of shortest possible deadlines (if yes, please specify below)
- 4. Recurrent award of contracts to the same economic operator
- 5. Recurrent award of contracts to third country economic operators not covered by GPA or by other international agreement (if yes, please specify justification below)
- 6. Contract awarded in suspected situation of unfair competition (if yes, please see below)
- 7. Low use of green requirements or award criteria (if yes, please provide us with further explanation below)
- 8. Low use of social requirements or award criteria (if yes, please provide us with further explanation below)
- 9. Low use of procurement of innovation (if yes, please provide us with further explanation below)
- 10. Lack of monitoring of implementation of contract (if yes, please specify below)
- 11. Other issues (if yes, please specify below)

Indicate best practices that are aimed at mitigating the issues identified in the previous answers and provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

In case your answer to any of the question in this section was 'Yes', please provide further information on these elements, if applicable. You can list multiple links separated with enter.



V. Qualitative reporting on application of public procurement review system

1. Please indicate relevant figures for the national review system in the table below, as described below

(A) **Number of first instance review decisions** (all the first instance review decisions),

(B) **Median length of first instance reviews - median length of all the first instance reviews** (the number of days from the starting date to the end date, where the starting date is when the complaint/action is registered and the end date is when the review is completed)

(C) **Number of first instance review decisions that were appealed to the (next) judicial level and its results** (the number of first instance review decisions that were appealed to the (next) judicial level, both on merit or procedural reasons, in addition, it shall include the results of the appeal)

a) (primarily) upheld;

b) (primarily) rejected; or

c) neither upheld nor rejected by the (next) judicial level (e.g. because they were not yet decided, retracted).

	2021
A. Number of first instance review decisions	1176
B. Median length of first instance reviews	35
C. Number of first instance review decisions that were appealed to the (next) judicial level and its results	157 Confirmed: 149 Cancelled: 8

2. Indicate best practices that are aimed at reducing the number of obstructive complaints/actions for review (A)

5000 character(s) maximum

The Public Procurement Act, Article 219, paragraph 7, contains a provision stating that if an appeal against the procurement documentation, or its amendment, is filed after the appeal deadline has expired, the contracting authority may continue the public procurement procedure, but must not make a selection decision or a decision on cancellation before the State Commission's decision is delivered. If the contracting authority has continued the procurement procedure and the State Commission accepts the appeal, the State Commission shall annul the public procurement procedure.

3. Indicate best practices that are aimed at reducing the length of first instance review decisions as marked in the previous column (B)

5000 character(s) maximum

The introduction of e-Complaints as an opportunity to file an appeal and finally as a mandatory method of filing a complaint contributed significantly to the shortening of the decision-making period of the State Commission for the Control of the Public Procurement Procedure, looking at the period from 2021 to 2023. The introduction of e-Appeal primarily significantly shortened the time required for the exchange of submissions between the parties to the appeal procedure, which consequently had an impact on the overall shortening of the decision deadline. Another circumstance that influenced the shortening of decision-making deadlines is certainly the internal digitization of the appeal procedure and the connection with the EOJN of the Republic of Croatia and the direct download of the necessary data of the public procurement procedure into the internal application of the State Commission.

4. Indicate best practices that are aimed at reducing the number of first instance review that were appealed to the next judicial level as marked in the table above (C)

5000 character(s) maximum

The uniform practice of the State Commission and its compliance with the practice of the High Administrative Court of the Republic of Croatia and the Court of the European Union certainly contribute to the reduction of the number of contested decisions of the State Commission. The transparency of the work and availability of the decisions of the State Commission as well as the decisions of the High Administrative Court of the Republic of Croatia in public procurement procedures is certainly one of the reasons that contributes to the reduction of contested decisions, i.e. as the level of legal certainty increases, the number of lawsuits against the decisions of the State Commission decreases.

VI. Fraud, corruption, conflict of interests and other serious irregularities

Describe the actions undertaken and/or mechanisms put in place to ensure prevention, detection and adequate reporting of case of public procurement serious irregularities including fraud and corruption and conflicts of interests.

1. Regulatory requirements on:

- Enhanced rules on the application of whistle-blower system
- Enhanced rules on transparency
- Enhanced rules on conflict of interest

- Enhanced rules on anti-corruption
- Enhanced rules on the application of exclusion grounds
- Other rules (if yes, please describe below)

1.1. Best practices.

If available, indicate best practices aimed at detecting irregularities as marked in the previous column and provide a link to any publicly available document relevant for the issues you indicated.

Please provide quantitative data e.g.: number of cases detected and pursued further by the competent authorities.

5000 character(s) maximum

Please provide further information on these elements, if applicable. You can list multiple links separated with enter.

2. Enforcement measures:

- Reporting/monitoring system in place to prevent/detect fraud, corruption, conflict of interest and other serious irregularities
- Reporting/monitoring system in place to measure fraud, corruption, conflict of interest and other serious irregularities
- Systemic audit in place to prevent/detect fraud, corruption, conflict of interest and other serious irregularities
- Sanction system in place to remedy fraud, corruption, conflict of interest and other serious irregularities
- Other rules (if yes, please describe below)

2.1. Best practices.

If available, indicate best practices aimed at detecting irregularities as marked in the previous column and provide a link to any publicly available document relevant for the issues you indicated.

Please provide quantitative data e.g.: number of cases detected and pursued further by the competent authorities.

5000 character(s) maximum

Please provide further information on these elements, if applicable. You can list multiple links separated with enter.

In 2022, the CCA adopted its first decision on bid rigging agreement.

In 2023, Croatian Competition Agency introduced a dedicated webpage for reporting bid-rigging in public procurement procedures.

In June 2024 the CCA also introduced a new tool of anonymous reporting of cartels and other prohibited agreements.

<https://www.aztn.hr/ea/wp-content/uploads//2022/06/UPI-034-0317-01021-.pdf>

<https://www.aztn.hr/en/cartel/reporting-bid-rigging-in-public-procurement-procedures/>

<https://www.aztn.hr/kartel/prijava-kartela/>

3. Soft law/Policy measures

- Guidance related to the prevention of fraud, corruption, conflict of interest, serious irregularities

- Recommendations related to the prevention of fraud, corruption, conflict of interest, serious irregularities
- Guidance on ethical conduct for public administration staff
- Guidance on fighting bribery practices
- Guidance on the detection of collusion/bid-rigging practices
- Guidance on compliance with competition rules
- National strategy to prevent fraud, corruption, conflict of interest, serious irregularities
- Action plan for the implementation of practices to prevent fraud, corruption, conflict of interest, serious irregularities
- Training/conference related to the prevention of fraud, corruption, conflict of interest, serious irregularities
- Reinforced cooperation among different state bodies
- Establishment of open-access information system to enhance transparency (public registry, declarations)
- Other measures (if yes, please describe below)

3.1. Best practices.

If available, indicate best practices aimed at detecting irregularities as marked in the previous column and provide a link to any publicly available document relevant for the issues you indicated.

Please provide quantitative data e.g.: number of cases detected and pursued further by the competent authorities.

5000 character(s) maximum

Please provide further information on these elements, if applicable. You can list multiple links separated with enter.

As part of the specialist training program, participants are provided with guidance on ethical conduct for public administration staff who carry out or will carry out public procurement procedures.

In 2022, Croatian Competition Agency (CCA) and Ministry of Economy signed an agreement granting to the CCA full access to the e-registry of public procurement in order to facilitate detection of possible prohibited agreements. Since then, this cooperation has been active and meetings between the institutions are being held.

In June 2024 the president of the Competition Council and Chief State Attorney of the Republic of Croatia signed a cooperation agreement aimed at enhancing collaboration in the area of competition, particularly in public procurement procedures.

<https://www.aztn.hr/en/potpisan-sporazum-o-suradnji-agencije-za-zastitu-trzisnog-natjecanja-i-drzavnog-odvjetnistva-republike-hrvatske/>

VII. Level of SMEs' participation in public procurement

SMEs' participation

SMEs are defined in the Commission Recommendation (2003/361/EC) as having less than 250 persons employed and an annual turnover of up to EUR 50 million or a balance sheet total of no more than EUR 43 million.

Further information is available at http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en

1. Qualitative reporting on SME participation

Policy measures:

- Policy initiatives launched to support SMEs participation in public procurement;
- Measures targeting SME participation in different techniques for aggregated procurement (framework agreements, dynamic purchasing systems, and centralised procurement activities);
- Measures targeting the participation of start-ups and scale-ups in public procurement;
- Measures ensuring that payment for public contracts are made on time, especially in the case of SMEs;
- Measures addressing the payments to subcontractors;
- Guidelines for contracting authorities on the application of 'divide or explain' principle (concerning division into lots);
- Policy measures in place to monitor SME participation in subcontracting
- Other measures (if yes, please describe below)

1.1. Best practices.

Indicate best practices that are aimed at encouraging the participation of SMEs in public procurement as marked in the previous column.

Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

Guidelines for encouraging the participation of SMEs in the public procurement market:

<http://www.javnabava.hr/userdocsimages/Smjernice%20MSP.pdf>

User instructions in the EOJN RH:

https://dev.azure.com/deanfirkelj/Upute%20EOJN/_wiki/wikis/Upute%20EOJN%20RH/220/Upute-EOJN-RH

Article 204 paragraph 2 of the Public Procurement Act stipulates that if the contracting authority has not divided the subject of procurement into lots in the public procurement procedure of large value, it is obliged to indicate the main reasons for such a decision in the procurement documentation and in the public procurement report.

Article 222 of the Public Procurement Act stipulates that an economic entity that intends to subcontract part of a public procurement contract is obliged to:

1. state which part of the contract he intends to subcontract (item or quantity, value or percentage share)
2. provide information about subcontractors (name or company, headquarters, national identification number, account number, legal representatives of subcontractors)
3. submit European uniform procurement documentation for the subcontractor.

If the economic entity subcontracted part of the public procurement contract, the information in points 1 and 2 must be specified in the public procurement contract.

Article 223 of the Public Procurement Act stipulates that the public contracting authority is obliged to pay the subcontractor directly for the part of the contract that it has performed, unless this is not applicable due to justified reasons related to the nature of the contract or the specific conditions of its performance, provided that these reasons are listed and explained in the procurement documentation or the contractor proves that the obligations to the subcontractor for that part of the contract have already been settled.

EOJN RH, operational since January 1, 2024, is designed to ensure that bidders submit only the documents and information required by the procurement documentation. The system guides bidders through the submission process. The ESPD is presented as a set of questions and answers relevant to the specific

procurement group/subject. Furthermore, the system verifies entered data against previously provided information. Once data is entered, the system follows a "once-only principle," automatically populating the necessary fields. In addition to the web platform, bids can also be submitted via a mobile application. Public bid openings are accessible to all interested parties through the EOJN RH. The entire process, from planning, prior consultation, procedure, to the contract registry, is managed through a single platform. Economic operators can express interest in specific procedures, consultations, or procurement plan items and receive free notifications about all actions within their favored procurements. For bidders lacking experience in bid submission, a demo version is available to help them familiarize themselves with all the platform's functionalities. The demo version of the EOJN RH and the bidding process in Croatia are free of charge for economic operators. Also, instructions for users are available on EOJN RH, which textually and visually, step by step, guide users in detail through the user interface of EOJN RH.

Guidelines for encouraging the participation of SMEs in the public procurement market were developed and published on the Public Procurement Portal. The guidelines include the most important provisions of the Public Procurement Law aimed at making it easier for SMEs to compete for public contracts. Cooperation with business associations in providing targeted training to bidders in public procurement procedures shall continue. Through the Guidelines and 10 held workshops, SMEs received information about tools that are available to them as assistance in the public procurement system.

In Croatia, the procurement process is a digitized procedure conducted through a single platform. Furthermore, the system is connected to other databases (such as criminal records, trade registers, and court records). The system enables retrieval of data for bidders, members of the consortium of bidders, subcontractors, and those whose capacities are relied on

The training programs also highlight the importance of tailoring procurement conditions to accommodate the needs and capabilities of SMEs.

In Croatia, publication of the procurement plan of contracting authorities on the EOJN RH is mandatory, which provides bidders with initial information about all planned procurements for the current year.

Since 2016, in Croatia, public authorities, regarding Public Procurement Act (PPA), are required to directly pay subcontractors for the portion of the contract they have fulfilled, unless justified reasons related to the nature of the contract or specific conditions of its execution make this impractical.

2. Quantitative reporting on SME participation

Please quantify the impact of these best practices in the table below:

2.1. Value of contracts directly awarded to SMEs over total value of awarded contracts – above thres

	2021	2022
Value (in EUR million)	445.790.314	658.756.645

2.1.1. Value of contracts directly awarded to SMEs over total value of awarded contracts – below three:

	2021	2022
Value (in EUR million)	462.940.522	532.734.984

Please explain the calculation/assessment method used for collection of data.

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years.

2.2. Number of contracts directly awarded to SMEs over total number of awarded contracts – above threshold

	2021	2022	2023
Number	1732	1866	2046

2.2.1. Number of contracts directly awarded to SMEs over total number of awarded contracts – below threshold

	2021	2022	2023
Number	3699	4240	4606

Please explain the calculation/assessment method used for the collection of data.

5000 character(s) maximum

This data is collected from contract award notices published at <https://eojn.nn.hr>, which refer to published contracts and framework agreements during the individual years.

VIII. Practical implementation of national strategic procurement

1. Green procurement ('GPP')

Green Public Procurement ('GPP') is defined as "a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured." [1] A voluntary target of 50 % GPP per Member State in number and value of relevant procedures was proposed by the Commission and welcomed by the Council in 2008.

[1] Commission Communication (COM (2008) 400) "Public procurement for a better environment".

1.1. What is the state of play of green procurement in your Member State? (regulatory requirements and policy measures related to GPP)

1.1.1. How do you in general evaluate the degree of the GPP implementation in your country:

Please assess based on:

- Existence of enabling public procurement legal framework,
 - Existence of GPP policies/action plans,
 - Provisions of practical support to practitioners,
 - Results of monitoring of contracts which include sustainability requirements,
 - Results of monitoring of sustainable outcomes.
-
- Implementation is advanced
 - Implementation is in progress
 - Implementation is low

The broad objectives in GPP policies are met:

- Yes
- Partially
- Not yet

1.1.2. Existing GPP regulatory requirements in your Member State:

- General legal obligation imposing GPP goals
- Sectoral regulations requiring sustainable development including public procurement
- Sectoral regulations encouraging sustainable development including public procurement
- Other regulatory requirements (if yes, please describe below)

Indicate best practices that are aimed at encouraging the use of GPP criteria. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

Waste Management Plan of the Republic of Croatia for the Period 2023 – 2028

https://narodne-novine.nn.hr/clanci/sluzbeni/2023_07_84_1334.html

Low-Carbon Development Strategy of the Republic of Croatia until 2030 with a View to 2050

https://narodne-novine.nn.hr/clanci/sluzbeni/2021_06_63_1205.html

Updated Integrated National Energy and Climate Plan for the Republic of Croatia for the Period from 2021 to 2030 and workshop materials

<https://mingor.gov.hr/azurirani-integrirani-nacionalni-energetski-i-klimatski-plan-republike-hrvatske-za-razdoblje-od-2021-2030-necp/9220>

Low-carbon development strategy of the Republic of Croatia until 2030 with a view to 2050

https://narodne-novine.nn.hr/clanci/sluzbeni/2021_06_63_1205.html

National Action Plan Energy Efficiency for the Period from 2022 TO 2024

https://mingo.gov.hr/UserDocImages/UPRAVA%20ZA%20ENERGETIKU/NAPEnU_2022.-2024..pdf

National Action Plan for the Development of Ecological Agriculture 2023 – 2030

https://poljoprivreda.gov.hr/UserDocImages/dokumenti/pristup_info/zakoni_propisi/zakoni_poljoprivreda/ekoloska/NAP%202023-2030_compressed.pdf

Law on the Promotion of Clean Vehicles

https://narodne-novine.nn.hr/clanci/sluzbeni/2021_05_52_1049.html

Rulebook on the obligation to report to the European Commission and minimum goals in public procurement procedures for road transport vehicles

https://narodne-novine.nn.hr/clanci/sluzbeni/2021_07_86_1598.html

The Law on Energy Efficiency and its amendments

https://narodne-novine.nn.hr/clanci/sluzbeni/2014_10_127_2399.html

Rulebook on energy efficiency requirements for energy-related products in public procurement procedures

https://narodne-novine.nn.hr/clanci/sluzbeni/2015_06_70_1345.html

Regulation on the management of waste batteries and accumulators

https://narodne-novine.nn.hr/clanci/sluzbeni/2015_10_111_2147.html

https://narodne-novine.nn.hr/clanci/sluzbeni/2020_05_57_1142.html

1.1.3. GPP policy measures applied in your Member State:

- Guidelines to encourage the use of GPP
- National strategy to encourage the use of GPP
- National action plan to implement measurable objectives in GPP
- National target of GPP in certain sectors/in public procurement
- Monitoring/reporting on the use of GPP criteria
- Existence of national competence centre/national network of experts to promote the use of GPP
- Existence of specific working groups to promote the use of GPP in specific sectors

- Mandatory regular trainings for the promotion of GPP
- Optional trainings/events/workshops for the promotion of GPP
- Online information tool on the use/on best practices of GPP
- Other policy measures (if yes, please describe below)

Other policy measures, please describe:

5000 character(s) maximum

The decision on green public procurement in central public procurement procedures
https://narodne-novine.nn.hr/clanci/sluzbeni/2021_05_49_983.html
 AND
 This decision is updating at the moment, and Another Government Decision is to be issued by the end of 2024. It will seek to extend GPP by requiring all contracting authorities that are state bodies to use minimum environmental criteria for certain procurement items.

Indicate best practices that are aimed at encouraging the use of GPP criteria. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

1.2. What are the key challenges for the uptake of green public procurement?

- Lack of professionalisation of public procurement staff
- Lack of capacity of public procurement staff
- Risk or a perception of a risk amongst public buyers of higher procurement costs
- Risk of no available offer on the market or a perception of some public buyers that such risk exists
- Risk of legal actions for wrong application of GPP criteria or a perception of some public buyers that such risk exists
- Lack of policy guidance and support on GPP
- Lack of policy strategy on GPP
- Lack of guidance on implementation of GPP requirements/criteria in procurement procedures
- Lack of strategic planning by the buyers
- Lack of interest
- Other reasons (if yes, please explain below)

Indicate best practices that are aimed at encouraging the use of GPP criteria. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

Decisions on public procurement in preparation
 Educations
 Helpdesk
 Web page
 Newsletters

2. Socially responsible public procurement ('SRPP')

Socially responsible public procurement is defined as procurement that takes into account one or several social considerations for advancing social objectives. SRPP covers a wide spectrum of social considerations, such as employment opportunities, decent work conditions, compliance with social and labour rights, social inclusion, equal opportunities and accessibility.

2.1. What is the state of play of SRPP in your Member State?

2.1.1. How do you in general evaluate the degree of the SRPP implementation in your country:

Please assess based on:

- Existence of enabling public procurement legal framework,
 - Existence of SRPP policies/action plans,
 - Provisions of practical support to practitioners,
 - Results of monitoring of contracts which include social requirements,
 - Results of monitoring of social outcomes.
-
- Implementation is advanced
 - Implementation is in progress
 - Implementation is low

The broad objectives in SRPP policies are met:

- Yes
- Partially
- Not yet

2.1.2. Existing SRPP regulatory requirements in your Member State:

- General legal obligation imposing SRPP goals
- Mandatory requirements regarding employment from vulnerable groups
- Respecting minimum criteria on human- and labour rights in the value chain
- Specific SRPP requirements for the performance of contracts
- Mandatory exclusion grounds related to SRPP
- Sectoral regulations requiring equal treatment and non-discrimination

Indicate best practices that are aimed at encouraging the use of SRPP. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

2.1.3. SRPP policy measures applied in your Member State:

- Guidelines to encourage SRPP
- National strategy to encourage SRPP
- National action plan to implement measurable objectives in SRPP
- National target of SRPP in certain sectors/in all sectors
- Monitoring/reporting on the use of SRPP criteria
- Existence of national competence centre/ specific working groups to promote the use of SRPP
- Mandatory regular trainings for the promotion of SRPP
-

Optional trainings/events/workshops for the promotion of SRPP

- Online information tool on the use/on best practices of SRPP
- Other policy measures (if yes, please describe below)

Indicate best practices that are aimed at encouraging the use of SRPP. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

The EOJN RH collects information on whether a reserved contract has been concluded.

2.2. Key challenges – What are the key challenges in the uptake of SRPP?

- Lack of professionalisation of public procurement staff
- Lack of capacity of public procurement staff
- Risk or a perception of risk amongst public buyers of higher procurement costs
- Risk of no available offer on the market or a perception of some public buyers that such risk exists
- Risk of legal actions for wrong application of SRPP or a perception of some public buyers that such a risk exists
- Lack of policy guidance and support on SRPP
- Lack of policy strategy on SRPP
- Lack of guidance on implementation/insufficient implementation of policies on SRPP
- Lack of strategic planning by the buyers
- Lack of interest
- Other reasons (if yes, please explain below)

Indicate best practices that are aimed at encouraging the use of SRPP. Please provide a link to any publicly available document relevant for the issues you indicated.

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3. Public procurement of Innovation

An innovative solution is defined in 2014/24/EU Art.2 (1.22) as "a new or significantly improved product, service or process". This includes not only those solutions resulting from R&D but also those solutions resulting from activities, "including but not limited to production, building or construction processes, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations." Please report on both dimensions.

3.1. What is the state of play of procurement of innovation in your Member State?

3.1.1. How do you in general evaluate the degree of the innovation procurement implementation in your country:

Please assess based on:

- Existence of enabling public procurement legal framework,
- Existence of innovation policies/action plans,

- Provisions of practical support to practitioners,
 - Results of monitoring of contracts which include innovation aspects,
 - Results of monitoring of innovation procurement.
- Implementation is advanced
 - Implementation is in progress
 - Implementation is low

The broad objectives in policies supporting innovation are met:

- Yes
- Partially
- Not yet

3.1.2. Innovation policy measures applied in your Member State:

- Guidelines to describing the procurement of innovation
- National strategy to encourage the procurement of innovation
- National action plan to implement measurable objectives to procure innovation
- National target to procure innovation in certain sectors/in all sectors
- Monitoring/reporting on the procurement of innovation
- Existence of national competence centre/specific working groups develop policies on the procurement of innovation
- Mandatory trainings related to the procurement of innovation
- Optional trainings/events/workshops related to the procurement of innovation
- Online information tool on the use/on best practices related to the procurement of innovation
- Other policy measures (if yes, please describe below)

Indicate best practices that are aimed at encouraging the procurement of innovation. Please provide a link to any publicly available document relevant for the issues you indicated.

5000 character(s) maximum

In 2023, as part of the National Recovery and Resilience Plan, the Republic of Croatia launched the project "Supporting implementation of innovation procurement in Croatia", the aim of which is to strengthen the capacities of Croatian contracting authorities in public procurement procedures related to innovations. Employees of the Ministry of Economy, the Directorate for Public Procurement Policy and HAMAG-BICRO (Croatian Agency for Small Business, Innovation and Investments) participated in the Training of Trainers program and through workshops promote public procurement of innovative solutions to public contracting authorities.

3.2. Key challenges – What are the key challenges for the uptake of Procurement of Innovation?

- Lack of professionalisation of public procurement staff
- Lack of capacity of public procurement staff
- Risk or a perception of a risk amongst public buyers of higher procurement costs
- Risk of no available offer on the market or a perception of some public buyers that such a risk exists
- Risk of legal actions for procedures carried out wrongly
- Lack of policy guidance and support on Innovation
- Lack of policy strategy on procurement of innovation
- Lack of strategic planning by the buyers

- Lack of interest
- Other reasons (if yes, please explain below)

Indicate best practices that are aimed at mitigating indicated issues.

5000 character(s) maximum

IX. The level of competition in public procurement

1. Do you monitor the level of competition in public procurement in your Member State?

To assess please consider in particular: proportion of single bids, proportion of negotiated procedures without prior publication, proportion of cancelled tenders

- Yes, the level of competition is monitored
- Yes, the level of competition is partially monitored (not comprehensive for all the procurement markets)
- No, the level of competition is not monitored

If the reply to the previous question is yes, please indicate whether the level of competition compared to the previous reporting period:

- Increased
- Remained unchanged
- Decreased

If the reply to the above question is yes, please provide best practices (e.g.: including on the tools used, methodology, indicators, etc.)

5000 character(s) maximum

2. Did you launch/complete a comprehensive analysis of main causes of the lack of competition on the public procurement market during the current reporting period?

- Yes, a comprehensive analysis of main causes of the lack of competition was launched/completed in the current reporting period
- No, a comprehensive analysis of main causes of the lack of competition was not launched/completed in the current reporting period
- No, a comprehensive analysis of the main causes of the lack of competition was not launched/completed in the current reporting period as the level of competition is satisfactory

3. What are the sectors mostly concerned by low competition?

Please list the sectors concerned:

5000 character(s) maximum

Health
Public administration
Education

Electricity
Housing and communal services

Please list other relevant factors (for example regions, areas, level of administrative level, type of public buyer, calendar period):

5000 character(s) maximum

4. What are the main causes for the decrease in competition?

- 1. Structure of the market (e.g. size of the market)
- 2. Market concentration in the sectors concerned
- 3. Recurrent, particularly low number of bidders due to (if yes, please specify below):
- 4. Low attractiveness of the public procurement market, in particular (if yes, please specify below):
- 5. Anticompetitive market practices (collusions)
- 6. Other reasons (if yes, please specify below)

4. Low attractiveness of the public procurement market, in particular:

- Lack of market knowledge of buyers (unrealistic demand)
- Lack of mid/long term planning of public procurement needs
- Not optimal contract size (too large for SMEs, too small for non SMEs)
- Complex tender documents and requirements
- Short period available for publication and submission of offer
- High administrative burden linked to submission of offer
- Lack of trust of companies in fair chances to win (e.g. suspicion of fraud, corruption, conflict of interests and other serious irregularities)
- Limited possibility of contract modification
- Strict contract terms and risk of penalties
- High risk of delayed or no payment
- Perceived unattractiveness of public procurement

Please provide a link to any publicly available document relevant for the issues you indicated:

5000 character(s) maximum

In 2022, the Ministry of Economy, Directorate for Public Procurement Policy created and published on the Public Procurement Portal Guidelines for encouraging the participation of SMEs in the public procurement market, the aim of which was to point out to SMEs the possibilities of participating in public procurement procedures, to identify activities support that reduces obstacles for SMEs and communicate the opportunities offered by public procurement, in order to ultimately improve their participation in public procurement procedures. The second goal of these guidelines was to indicate to the contracting authorities how and within the framework of the legal and sub-legal provisions in the field of public procurement to encourage the participation of a greater number of SMEs.

<http://www.javnabava.hr/userdocsimages/Smjernice%20MSP.pdf>

X. Additional information

Please provide any other information you consider relevant:

5000 character(s) maximum

Contact

GROW-C2@ec.europa.eu