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REGULATION ON PUBLIC POLICY MANAGEMENT, POLICY AND REGULATORY IMPACT ASSESMENT, AND CONTENT OF INDIVIDUAL PUBLIC POLICY DOCUMENTS

**I INTRODUCTORY PROVISIONS**

Subject matter and scope

Article 1

This Regulation shall closely regulate: the policy management process through planning, coordination, drafting, passing, implementation, implementation monitoring, analysis, impact assessment/evaluation of measures contained in policy documents and regulations that are, in line with their competences as authorised proponents proposed and/or adopted by participants in the planning system (hereinafter referred to as: proponents); the scope, process, and quality control of impact analysis implemented during the drafting of policy documents and regulations; the content and mandatory elements of impact analysis that must be included in policy documents and must complement policy implementing regulations (hereinafter referred to as: regulations), and the types of policy instruments, their content, and form.

**II IMPACT ANALYSIS**

The impact analysis term

Article 2

Impact analysis shall represent an analytical process carried out in the course of planning, formulating, and enacting policies and regulations, the purpose of which is to allow better consideration of issues to be resolved, their respective causes, consequences and causal links, and to select the best and optimum measures for resolving the observed issues and achieving objectives laid down in policy documents and regulations (*ex-ante* impact analysis). Impact analysis shall be carried out also during implementation, implementation monitoring, and performance evaluation of measures contained in the existing policies and regulations with a view to re-examine and improve them (*ex-post* impact analysis).

Impact analysis shall not substitute the socially responsible decision-making process that enacts or amends a policy or a regulation, but rather it shall provide the required information for decision-making and facilitate selecting the best possible option or optimum measures for policy or regulation implementation.

Purpose of impact analysis implementation

Article 3

Impact analysis shall be implemented with the aim to simplify legislative framework, increase transparency in drafting policy documents and regulations, increase efficiency of public administration bodies, and establish a clear link between the policy and regulation implementation and the means for their implementation.

Impact analysis shall be implemented to:

* better consider, understand, and assess the potential effects (costs, benefits, and distribution effects) of measures contained in policy documents or regulations, including timely detection of secondary and unintended effects;
* better consider, understand, and asses the real impact of measures contained in enacted policy documents and regulations;
* simplify legislative framework and improve mutual harmonisation of regulations, and regulations and policy documents, and improve coordination of legislative activities and activities pertaining to the policy management system;
* increase transparency in drafting policy documents and regulations by facilitating participation of stakeholders and target groups in consultations and public debate;
* improve operation of public administration bodies, increase their efficiency and accountability, and provide better services to citizens and legal entities, and
* establish a clear link between the policy and regulation implementation and the means for their implementation, ensure sufficient funds for these purposes, and accurately identify sources of funding.

Impact analysis as a continuous process

Article 4

The impact analysis process shall constitute an integral part of the policy management process that shall be conducted during policy planning, policy formulation, enactment, implementation, implementation monitoring, and assessment of policy performance.

Impact analysis shall be initiated before the decision on drafting a policy document or regulation pursuant to Article 40 of the Law on the Planning System of the Republic of Serbia is passed, in order to explore other possibilities for resolving identified issues and establish whether the enactment of a policy document or regulation is the best solution for resolving the respective issue.

If a certain regulation is to be passed or amended to prescribe measures defined under a specific policy document, the drafting of that document shall include impact analysis that is based on results of impact analysis conducted in the course of that document’s enactment.

*Ex-ante* and *ex-post* impact analysis

Article 5

*Ex-ante* impact analysis shall represent a process implemented from the earliest stage of policy planning and preparation, or policy document and regulation drafting and enacting, pursuant to Article 40 of the Law on the Planning System of the Republic of Serbia, that involves a set of logical steps designed to enact an optimum policy or efficient regulation, identify issues, their respective causes and consequences, eliminate causes of the existing issues in specific policy planning and policy implementation areas, and achieve objectives defined in policy documents and regulations.

*Ex-ante* impact analysis shall enable timely identification of potential positive and negative, direct and indirect effects the measures contained in a policy document or regulation may produce, to allow the policy document or regulation to be formulated in a way that minimises potential negative impacts and eliminates causes to the existing problems.

*Ex-post* impact analysis shall represent a process carried out during implementation that evaluates achieved performance, efficiency, and effectiveness of measures contained in the enacted policy document, for the purpose of their review and improvement.

*Ex-post* impact analysis shall enable an overview of the actual positive and negative, direct and indirect effects the measures included in a policy document produce in implementation, in order to determine the need to undertake additional and/or corrective measures to minimise negative effects and eliminate causes of issues incurred in the course of policy implementation, and achieve set objectives.

Policy documents and regulations the implementation of which shall not require impact analysis

Article 6

Impact analysis shall not be implemented when drafting policy documents that do not produce a significant impact on the society and/or do not represent a high priority obligation of the Government, and when drafting regulations that are neither system laws nor laws and bylaws that by closely regulating terms and procedures for exercising personal and property rights and terms for doing business (terms for performing business activities) directly or indirectly influence citizens, business, and other entities.

Impact analysis shall not be implemented when drafting the following:

* the Law on the Budget of RS;
* policy documents and regulations that mitigate or eliminate consequences of natural disasters and emergencies, as well as regulations/acts that implement those policies;
* policy documents and regulations at the level of the state of importance for the national defence and regulations/acts that implement those policies, and
* regulations that are legally/technically being harmonised with the previously adopted regulations.

Entity deciding on the need to implement impact analysis for policy documents and regulations

Article 7

The position on the need to implement impact analysis for policy documents and regulations the proponent shall take before drafting the document in question, based on results of the impact and priority test the proponent applies in accordance with Appendix 1, which constitutes an integral part of this Regulation and is based on principles of proportionality and precaution in accordance with the law governing the planning system in the Republic of Serbia.

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| Appendix 1 – Impact Test | | | | | |
| Level of policy impact | | | Level of policy priority | | |
| **High impact** | Very complex, politically sensitive or costly | | **High priority** | High priority obligation of the Government with significant political, fiscal or legal implications | |
| **Medium impact** | Somewhat complex, politically sensitive or costly | | **Medium priority** | Obligation of the Government with lesser political, fiscal or legal implications | |
| **Low impact** | Very clear, more administrative than political in character, implemented with minimal cost | | **Low priority** | Priorities of ministries with minimal implications if unrealised. | |
| Establishing the need to implement IA | | | | | |
|  | | **High priority** | **Medium priority** | | **Low priority** |
| **High impact** | | IA required | IA needed | | IA recommended |
| **Medium impact** | | IA needed | IA recommended | | IA recommended |
| **Low impact** | | IA recommended | IA recommended | | IA is not necessary |

The position on the need to implement *еx-ante* impact analysis in accordance with Article 40 of the Law on the Planning System of the Republic of Serbia the proponent shall take by assessing whether the regulation in question is a system law or law/bylaw, which, by closely regulating terms and procedures for exercising personal and property rights and terms of business, either directly or indirectly influences general population and the economy.

The position on the need to implement impact analysis for policy documents or regulations referred to in Article 6 of this Regulation the proponent shall take by assessing whether the respective document or regulation is listed as an exception in that Article.

The proponent shall elaborate the impact analysis results for a policy document in the respective policy document, and for regulation, in the report on implemented impact analysis attached to the respective regulation by providing specific answers to the questions listed in the control list from Appendix 2, which constitutes an integral part of this Regulation.

If assessed that the impact analysis is unnecessary, the proponent shall be required to elaborate that decision using the form from Appendix 3, which is an integral part of this Regulation.

The final decision on the mandatory implementation of impact analysis shall be passed by the Republic Secretariat for Public Policy, a public administrative body responsible for the quality control of implemented policy documents’ and regulations’ impact analyses, and the decision shall be elaborated in the opinion regarding the delivered material. If the Republic Secretariat for Public Policy determines the need to conduct impact analysis, this public administration body shall be required to direct the proponent on how to conduct the impact analysis and present its results.

Scope of impact analysis implementation (basic and detailed impact analysis)

Article 8

The scope of impact analysis implementation shall depend on the level of priority and the level of impact of enacted or implemented policy or regulation, i.e. on the complexity and scope of measures included in the policy document or regulation.

The proponent shall assess the need to implement impact analysis and decide whether to implement a basic or detailed impact analysis while respecting the principles of proportionality, prevention, and precaution in accordance with the law regulating the planning system in the Republic of Serbia.

The final decision on the need to implement impact analysis, and if so, on the need to implement either basic or detailed impact analysis shall be passed by the Republic Secretariat for Public Policy as a public administration body responsible for the quality control of implemented impact analyses for policy documents and regulations, and the respective position the Secretariat shall elaborate in the opinion regarding the delivered material further directing the proponent on how detailed the impact analysis should be and how to present its results.

The proponent shall carry out a detailed impact analysis for policies or regulations if estimated that measures envisaged under those policy documents or regulations can significantly impact the general public (especially vulnerable population categories such as persons with disabilities, minority groups, people living below the poverty line, the unemployed, etc.) and/or legal entities (in particular, sensitive legal entities or groups including micro, small or medium-sized enterprises in line with the law regulating accounting), and/or the budget of the Republic of Serbia, the environment, and public authorities.

Significant effects referred to in paragraph 4 of this Article, at the level of the state, shall entail:

1. a cost higher than RSD 1,000,000,000 incurred by stakeholders due to the implementation of a policy document or regulation (for example, for the harmonisation of their conduct and/or operation with the requirements of the policy or regulation);
2. a change in budget revenues and expenditures, and income and costs of the proponent, and consequently, in the budget of the Republic of Serbia in the current and following two fiscal years that is greater than … RSD per annum;
3. an impact on more than 200,000 citizens;
4. an impact on more than 1,000 micro, small, and medium-sized enterprises and other legal entities;
5. an impact on the market and market competition (for example, introduction of market entry and/or exit barriers, market competition restrictions, favouritism for certain enterprises or other legal entities and organisations, impact on the productivity or innovation, control in prices or level of production, impact on the quality, level, or availability of certain goods and services);
6. an introduction of significant reform or system changes in planning and policy implementation areas (sectors) that influence a large number of citizens, including sectors of education, employment, social care, health care, and pension protection;
7. a disproportionally large impact in certain policy planning and implementation areas (sectors) or territorial units when compared to others;
8. transfers to the population, such as support to vulnerable population categories (including persons with disabilities, minority groups, people living below the poverty line, the unemployed, etc.);
9. implementation of public investments, especially capital project in line with the Regulation on the content, method of preparation and assessment, implementation monitoring, and reporting on capital projects’ implementation.

In carrying out detailed impact analysis the proponent shall use analytical techniques given in Section III of the Regulation. If estimated that the impact of measures envisaged under a policy document or regulation is to be either negligible for the general public and the economy, or limited in terms of financial implications in accordance with paragraph 5 of this Article, the proponent shall limit the analysis to providing precise answers to control questions given in Appendix 2, which is an integral part of this Regulation.

**III IMPLEMENTATION OF IMPACT ANALYSIS PRIOR TO, AND DURING POLICY OR REGULATION PREPARATION**

Steps in impact analysis implementation

Article 9

Policy or regulation proponent shall prior to, and during preparation of a policy document or regulation implement impact analysis in following steps:

1. identify issues to be resolved by implementing policy measures and causal relations between the issues, causes and consequences of those issues;
2. define general and specific policy objectives and performance indicators for measuring the achievement of objectives;
3. identify options – possible measures for achieving objectives;
4. analyse impact of identified options – possible measures and risks in policy implementation;
5. select the optimum option or the optimum combination of considered options, and
6. identify resources for policy implementation, implementation monitoring, and policy impact evaluation, and as needed, evaluate risks in policy implementation.

The order of steps set out in paragraph 1 of this Article shall represent the rule, however the impact analysis process may need to take a step back and repeat the procedure from previous impact analysis phases.

Conducting consultations and collecting and analysing data on the basis of which impartial impact analysis is to be performed shall be required throughout the entire process of impact analysis.

**1) Identifying the issue to be resolved with policy implementation**

Identifying the issue

Article 10

The proponent shall on the basis of the analysis of the current situation identify issues to be resolved, and establish associated facts and possible risks early on in the process of defining a policy or drafting a policy document or regulation, i.e. in the initial stage of impact analysis.

In defining the issue it shall be necessary to establish the key problem’s dynamic over time and understand the way it was handled in the past.

The list of key issues and associated causes and consequences should be used later on as checklist to determine if the measures for resolving all identified issues and achieving set policy objectives are incorporated in the appropriate policy document or regulation.

This phase shall identify stakeholders most affected by the issue, analyse social and economic trends in the relevant field, and analyse the effectiveness of the existing policies, the distribution of negative impacts, and the impact of obligations assumed in the accession of the Republic of Serbia to the European Union and in other ratified international treaties in the relevant policy area.

Identifying stakeholders

Article 11

This phase of IA shall identify stakeholders that are affected the most by the issue, analyse social and economic trends in the relevant field, and analyse the distribution of negative effects.

Identifying current policies and regulations in the area

Article 12

This phase of IA shall examine the presence of existing policies or policy-implementing measurs in the respective area.

If they are present, it shall be necessary to analyse and asses the effectiveness of those policies or measures, and in particular, legal framework in a given area, and provide detailed explanation of why the identified issues cannot be resolved within the already existing strategic and/or legal framework.

If established that the given area lacks adopted policies or policy-implementing measures, it shall be necessary to establish and explain in detail whether the issue is due to the lack of policies or measures.

The impact of obligations assumed in the course of accession of the Republic of Serbia to the European Union and in other ratified international treaties in the relevant policy area shall be analysed additionally.

Analysing and properly defining key issues

Article 13

The analysis of key issues and associated risks shall be based on statistical and other data, facts and information collected from existing studies, analyses, reports of public administration bodies and the local government, reports of international organisations, information obtained during consultations with civil society organisations working in a given area, scientific and other relevant organisations and stakeholders, all of which document the existence of the issue, its scope, relevance, magnitude and the need for intervention, as well as based on other sources.

In analysing the key issue, it shall be necessary to consider the importance of the issue if certain additional measures for its resolution are not to be undertaken (*status quo* option or “no action” option), by projecting the existing situation to assess whether the issue could be resolved without further intervention, in which case a number of factors that may influence the future significance and the scope of the issue must be considered (including the impact of other policies and regulations, the impact of the accession process to the EU, WTO, and other international organisations, the development of relevant markets, possible changes in trends, etc.).

Analysis and definition of the issue may employ various analytical techniques such as the problem tree, *SWOT* analysis, PESTLE analysis, comparative legal analysis, consultations with stakeholders, and others.

Key issues shall be defined in a clear, precise, and comprehensive manner. Defining the key issue as a shortcoming or deficiency, or defining the issue from a solely technological aspect, should be avoided.

The issue shall be properly defined by providing answers to questions listed in Appendix 3, which constitutes an integral part of this Regulation.

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| **Appendix 3 – Key questions for defining the issue**     1. Is there really an issue? 2. Is the issue accidentally mixed up/replaced with the impact it produces? 3. What are the underlying causes (what generates the problem)? 4. What is the trend of the issue, is it a growing issue? 5. Whom does the issue affect; which groups the issue either directly or indirectly threatens? 6. Are numerical indicators for confirming the impact of the issue available? 7. Is there a valid policy addressing the issue, which policy is that, which document adopted it and does it give satisfactory results? 8. Is the issue dealt with in a specific law or bylaw and what are the effects of those regulatory instruments? 9. Is there a need for government intervention or is the “no policy change” or “status quo” option the best option? 10. What is our experience in resolving this issue compared to the experience of others (countries, LGUs)? |

**2) Defining general and specific policy objectives**

Defining objectives

Article 14

This phase of impact analysis shall lay down objectives to be achieved by implementing measures contained in the policy document or policy-implementing regulation.

Notwithstanding paragraph 1 of this Article, if a policy document or regulation is to be passed in the course of implementation of a more general policy document, the objectives contained in the latter shall be assumed.

Defining policy objectives shall identify general and specific objectives.

General and specific objectives

Article 15

General objectives shall be defined as projected desired state at the level of the society in a particular area. The general objective shall be formulated by answering the question: What is to be achieved?

Specific objectives shall be determined as precise (interpreted in one way only), measurable (as describing the future state so their fulfilment can be measured and confirmed), acceptable (defined in a transparent consultation process), realistic (achievable in the existing economic conditions and with available resources), and time-constricted.

Implementing a group of measures contained in a policy document or regulation shall attain specific objectives, so that each group of measures refers to one specific objective. The same specific objective may be achieved with a number of different groups of measures. The specific objective shall be formulated by answering the question: Why that must be achieved?

Operational objectives may be defined for specific objectives and based on the desired state the implementation of the policy measure is to achieve through various activities. The operational objective shall be formulated by answering the question: How is this to be achieved?

Limited number of objectives

Article 16

In defining objectives it shall be necessary to limit their number by making sure they are based on priorities already established in a specific field. The objectives shall be defined as achievable in a set timeframe.

A strategy, as the most comprehensive policy document shall include a general objective and up to five specific objectives that contribute to achieving the general objective.

Other policy documents and regulations shall generally assume general objectives from development planning documents or strategies, while specific objectives can be either assumed from same documents or defined separately.

Defining objectives in relation to key issues

Article 16

Objectives shall be defined on the basis of identified issues and results of IA carried out when defining the issue, by particularly bearing in mind the key issue and focusing on eliminating or minimising issues defined as causes of the key issue.

Properly defining objectives

Article 17

Objectives shall be defined so they can serve as basis for monitoring the efficiency and effectiveness of the implementation of measures defined in a policy document or policy-implementing regulation. Specific objectives in simple cases may be defined as a favourably managed problem.

Defining objectives in policy documents and regulations shall call for their alignment with the objectives defined in the integration process of the Republic of Serbia to the EU, especially if they are being harmonised with the EU acquis. Identification, analysis, and definition of objectives may employ various analytical techniques, such as the problem tree, comparative legal analysis, consultations with stakeholders, and others.

Objectives shall be properly defined by answering the questions provided in Appendix 4, which constitutes an integral part of this Regulation.

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| **Appendix 4 – Key questions for defining objectives**     1. What are the policy objectives, or what is the desired impact of their implementation? 2. Are the objectives consistent with current policy documents and existing legal framework, and above all with Government priorities? 3. What measures are likely to achieve set objectives? 4. Based on which indicators we can determine whether policy objectives have been achieved or not? |

Performance indicators

Article 18

Defining policy objectives shall require well-defined performance indicators for measuring the efficiency and effectiveness of policy implementation and for monitoring the realisation of set objectives.

Performance indicators may be:

1. impact indicators (defined at the level of general policy objective);
2. outcome indicators (defined at the level of specific policy objective), and
3. output indicators (defined at the level of policy measures).

The achieved change between the initial state and the state after the policy measure implementation, seen as impact, outcome, and output, shall be described in a measurable way with performance indicators.

Performance indicators, depending on the nature of policy, may be defined at the level of activities.

Performance indicators shall be defined when drafting a policy document or regulation in order to timely plan the process of ensuring information indispensable for monitoring indicators.

Performance indicators should be time-constricted and expressed in quantitative and qualitative terms. Qualitative performance indicators shall be defined even when impossible to formulate quantitative performance indicators.

In identifying and defining performance indicators it shall be desirable to take account of gender equality whenever possible by using gender-sensitive indicators. Furthermore, other protected values as prescribed by the Government shall be treated appropriately.

Verification or data sources shall be defined to serve as basis for measuring the efficiency and effectiveness of policies and for monitoring the realisation of set objectives for each identified and defined performance indicator.

The application of performance indicators shall define the following: the base value (the existing value), the three-year targeted value, and the source of verification for achieved values. Targeted values should be realistic and attainable on one hand, and challenging on the other. Targeted values shall be determined based on the existing state (base values) and based on the real estimate of what can be attained in a given time period with allocated resources.

**3) Identifying options – possible measures for attaining objectives**

Identifying options - possible measures for achieving objectives

Article 19

This IA phase shall define alternative ways or possible options for achieving policy objectives, and compile a list of those options.

Even though the multiplicity of possible options depends on the complexity of the issue to be addressed, set objectives, and available resources for the implementation, it shall be necessary to identify the widest range of possible options for addressing the issue and achieving objectives.

Options shall be properly defined by answering questions provided in Appendix 5, which is an integral part of this Regulation.

The obligation to consider a *status-quo* option

Article 20

Consideration of implementable options shall analyse the *status quo* option (no-action option) that serves as the basic scenario against which all other considered options are compared. This shall particularly apply to situations in which certain fields either lack enacted policy documents or are unregulated, making it thus necessary to complete a detailed analysis to assess whether the market rather than the state can find an effective solution.

Regulatory measure as an option

Article 21

When considering regulatory options as options for resolving the issue, account should be taken of possible ways for simplifying the existing legal framework through eliminating regulations that are unnecessary, ineffective or harmful, as well as through eliminating and/or simplifying administrative procedures that hinder the efficient functioning of citizens, businesses, and other legal entities. Options shall be properly defined by answering the questions provided in Appendix 4, which is an integral part of this Regulation.

Since there is always more than one way to solve the identified issue and reach set goals, and hence a number of policy instruments that may be applied, regulatory instruments shall be selected automatically as the most suitable policy instruments, especially when the detailed impact analysis of these options was not carried out.

In considering regulatory measures, it should be kept in mind that the option to improve the enforcement of existing regulations/acts is in most cases a better option than to pass new regulations/acts.

Once the decision on the enactment of a policy-implementing regulation is delivered, the IA of regulations shall focus on possible options within the regulation.

Minimum number of considered options

Article 22

When resources are limited at least four feasible options should be identified, excluding the “*status quo*” option.

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| **Appendix 5 – Key questions for identifying policy options**   1. Have all possible options been taken into consideration, including the “status quo” option? 2. In addition to regulatory instruments, have other options for resolving the issue been identified and their potential impacts analysed? 3. What is the best option for solving the problem? 4. In addition to restrictive options, have other incentive options been explored? 5. Is it possible to include the civil society, private sector and donors in the implementation, or the issue can be resolved only through the intervention of the state? |

**4) Impact analysis of policy options**

Impact analysis and assessment of policy options

Article 23

The most demanding and the most important step in the IA implementation is the impact analysis and assessment of considered policy options.

Policy impact analysis shall identify strengths and weaknesses of considered policy options through comparative analysis of the following:

1. financial impact analysis;
2. economic impact analysis (impact on the economy);
3. social impact analysis, with particular emphasis on the impact on the poor;
4. environmental impact analysis, and
5. administrative impact analysis.

IA of considered options should include the assessment of potential costs, benefits, and other listed effects for each considered option, with particular consideration of the analysis of public expenditures and the expected costs and benefits the considered options may impose on the general public and the economy (and, in particular, on micro, small and medium-sized enterprises).

IA shall be carried out when passing any kind of policy document or regulation that affects the general public and the economy, and the scope and the extent of IA in that case is to depend on the principles of proportionality and precaution.

If assessed during application that measures included in the policy document or policy-implementing regulation are not to produce certain effects, the proponent shall be required to state and particularly elaborate that in the report on conducted IA.

Given that each considered option involves unequal distribution of costs and benefits for the society, the impact of this unequal distribution of costs and benefits shall be analysed separately for individuals, legal entities, groups, regions or sectors that have interest in, or are influenced by measures implementing the policy.

Answering the questions provided in Appendix 6 to this Regulation shall complete the impact analysis of options.

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| **Appendix 6 – Key questions for analysing policy options**   1. What is to be achieved with each considered option, or what is the financial, administrative, economic, social or environmental impact (positive and negative)? 2. What is the extent of impact of those options, keeping in mid the long-term and short-term impact? 3. Will the implementation of measures within a specific option create consequences with disproportionate impact on a specific population group, and will that negatively affect the success of implementation of that option, as well as what measures should be taken to minimize these risks? 4. What are indirect consequences (positive and negative) of each option? 5. What are costs and benefits (tangible and intangible) of each option? 6. Should financial resources for the implementation of specific options be provided in the budget? 7. Do bodies implementing policy measures included in the option have the appropriate capacity and what additional measures will be undertaken? |

Financial impact analysis

Article 24

Financial impact analysis shall entail the assessment of financial means required for the realisation of each policy measure or regulation, and sources of such funds, with mandatory indication of the full amount of funds to be provided in the budget.

Financial impact analysis shall consider the impact of considered policy options on the budget and mid-term expenditure framework.

From the fiscal standpoint, policy options shall be acceptable only if their implementation is in line with the existing limits in budget expenditures.

This is the only type of impact that must be assessed regardless of the type of policy document or regulation since budget revenues and expenditures and income and costs generated by options must be evaluated pursuant to the regulation governing the manner for expressing and reporting on the assessed financial impacts of a law, other regulation, or act, on the budget.

Answering the questions provided in Appendix 7, which constitutes an integral part of this Regulation, shall complete the financial impact analysis.

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| **Appendix 7 – Key questions for financial impact analysis**   1. What is the impact of proposed option on the state budget? 2. What is the impact of proposed option’s implementation on the international financial obligations of the state? 3. What will be the costs of introducing changes arising from the implementation of the option (establishing new institutions, restructuring the existing institutions and training civil servants) expressed in terms of capital expenditures, running costs, and salaries? 4. Will additional funds be required, and if so, what sources will they be provided from, for the purpose of introducing changes expected as a result of the implementation of proposed policy options? 5. Is it possible to finance expenditures of this option through reallocation of the existing funds? 6. What will be the impact of implementation of this policy option on expenditures of other institutions? |

Economic impact analysis (impact on the economy)

Article 25

Economic impact analysis shall examine the effects of considered policy options on the economy in general, and on the certain economic sectors and businesses, primarily in terms of their competitiveness and productivity.

Economic impact analysis shall examine the effects on stakeholders imposed by the necessity to harmonise their conduct with requirements and procedures prescribed under the adopted policies or regulations/acts implementing such policies.

Effects for businesses, and in particular, for micro, small, and medium-sized enterprises shall be essential for assessing the acceptability of considered options. Therefore, in defining measures or policy instruments, their impact on micro, small and medium-sized enterprises must be tested in line with Article 8 of this Regulation.

Answering the questions provided in Appendix 8, which constitutes an integral part of this Regulation, shall complete economic impact analysis.

Social impact analysis

Article 26

Social impact analysis shall examine significant direct and indirect effects of considered policy options on various population categories, and in particular, on vulnerable categories or groups of individuals whose situation may be worsened by the implementation of policy measures (primarily the poor, the disabled, minorities, etc.).

Consideration of social impact shall be particularly important in enacting policies in the social policy sector (area), education, healthcare, housing, and employment, and similar.

In terms of gender equality, impact analysis should be implemented especially when there is an indication of an aggravating state of gender inequality. In this sense, it shall be particularly important to analyse the causes and consequences of the identified key issue. In defining measures or policy instruments, the proponent must implement a preliminary gender equality test for each considered option. The considered option that creates a gap of at least 20% in favour/to the detriment of women or men shall require a full gender equality impact analysis.

Answering the questions provided in Appendix 8, which constitutes an integral part of this Regulation, shall complete social impact analysis.

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| **Appendix 8 – Key questions for social impact analysis**   1. What social groups are affected by measures included in the analysed option (for example, socially vulnerable groups, youth, young families, children, the elderly, etc.)? 2. Are those measures affecting the labour market and the employment, working conditions included (for example, change in the employment rate, dismissal of redundancies, loss or creating new jobs, retraining or additional training needs imposed by the labour market, etc.)? 3. Are those measures allowing equal treatment of different population categories (for example, equal employment opportunities, opportunities for persons with disabilities to participate in various sectors of social life, etc.)? 4. Preliminary test to determine the needs for further impact analysis on gender equality shall be implemented by answering the question: Does the policy option in question impact differently women and men? 5. Are these measures facilitating dialogue between social partners? 6. Are these measures influencing market prices and living standard, and if so, to what extent? 7. Are these measures influencing the poverty level, and if so, to what extent? 8. Are these measures influencing the social situation in different regions, and how? 9. Are these measures influencing social provisions, and if so, to what extent? |

Environmental impact analysis

Article 27

Environmental impact analysis shall examine the effects of considered options on the environment.

Environmental impact analysis shall be particularly important when considering options for measures in sectors (areas) such as the industry, agriculture, energy, and transport, in order to ensure environmental protection and improvement of sustainable development by integrating the main environmental protection principles in the preparation of policy documents that regulate respective issues.

Environmental impact analysis for measures envisaged under policy documents, such as plans and programmes in terms of the law regulating strategic environmental impact assessment, shall be strategic in nature and prepared completely in line with the mentioned law.

Environmental impact analysis and assessment shall respect the principle of precaution, and assume carrying out detailed environmental impact analysis and assessment whenever considering options for defining policy measures that concern the health of the population. The process of defining those policy measures must envisage additional/corrective measures for reducing health risks to the population.

Answering the questions provided in Appendix 9, which constitutes an integral part of this Regulation shall complete the environmental impact assessment.

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| **Appendix 9 – Key questions for environmental impact assessment**   1. Are measures contained in the analysed option influencing the protected environmental areas: air, water, wildlife, forests, non-renewable resources, ecosystems and biodiversity, and if so, to what extent? 2. Are those measures affecting the people and their health? 3. Are those measures posing a risk to the environment and human health, and can additional measures reduce the risk? 4. Are those measures influencing the use of land in line with regulations governing the use of land? |

Administrative impact analysis

Article 28

Administrative impact analysis shall examine legal, organisational, managerial, and institutional aspects of the considered policy options’ effects. This type of analysis shall be crucial in planning available resources necessary for the implementation of measures included in those options.

Answering the questions provided in Appendix 10, which constitutes an integral part of this Regulation shall complete the administrative impact analysis.

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| **Appendix 10 – Key questions for administrative impact analysis**   1. Are proposed policy options introducing organisational, management, or institutional changes? 2. Do current public administrative bodies have the capacity to implement each policy option? 3. Is it necessary to restructure the existing state body or other public sector entity (for example, expansion, restructuring, cancellation, change in function/hierarchy, improvement of technical and personal capacities, etc.), and what are the timeframes for the implementation of restructuring? 4. Is the training of officers and other contracted persons engaged in public sector entities necessary, and to what extent, and who will be responsible for the training? 5. What additional measures should be implemented and how much time is needed to implement each considered option and ensure subsequent consistent implementation? 6. Is the option in line with existing regulations, international agreements and enacted policies? |

Risk and uncertainty analysis

Article 29

Since the effects of considered policy options cannot always be predicted with certainty, especially for policies covering longer periods of time, the implementation of IA shall pay particular attention to the following:

1) ***Policy implementation risks*** when possible to determine the probability of an onset of a certain event;

2) ***Policy implementation uncertainty*** when impossible to determine the probability of an onset of a certain event.

The longer the time period the considered policy option covers, the more detailed the risk and uncertainty analysis should be. This analysis should be as accurate as possible when drafting short-term policy documents or policy documents of a narrower scope (such as policy papers).

Given the crucial role of long-term and comprehensive policies in planning, the results of impact analysis for measures contained in the proposed option must be reliable, objective, and based on facts and data, wherein it is desirable to consider the “optimistic” and “pessimistic” scenario of that option’s outcome, so the competent enactor could consider the entire range of possible effects.

**5) Comparing policy options and selecting the most favourable option**

Comparing policy options

Article 30

The final step in the IA shall be the comparison of policy options and the choice of the most favourable option to be submitted to the competent enactor for adoption in a proposed policy document or regulation.

This stage shall compare the advantages and disadvantages of each analysed option in order to determine the most efficient one for achieving set objectives, or the one with least disadvantages.

Proponents, in comparing and selecting the most favourable option, may use quantitative techniques such as the ***cost-benefit analysis and cost efficiency analysis***, while when difficult to quantify and/or express impact of considered options in monetary terms, they may use qualitative techniques, such as multi-criteria analysis. Cost-benefit analysis shall be used only in very complicated situations.

This stage of IA shall be carried out in the following order:

1) establish a basis for comparing options analysed in the previous stage of the process, including all positive and negative, direct and indirect effects of each option, including risks and uncertainties of their implementation;

2) compare options based on identified criteria (for example, financial impact, economic impact, impact on the poor, answers received during consultation process, risks and uncertainties, etc.);

3) define arguments for and against each option, and

4) summarise key arguments for each option.

This stage of IA in essence is a comparison of relevance, efficiency, effectiveness, and sustainability of considered options developed in the previous phases of IA.

Detailed implementation of this IA phase, and in particular steps referred to in paragraph 4 of this Article, shall be particularly important when drafting policy papers, if those policy documents envisage different options for implementing policy and achieving set objectives.

Selecting the most favourable option

Article 31

Conducted IA shall provide information for selecting desired options, among which the most optimal option is to be selected as the best way for resolving identified issues and attaining objectives.

If the list of desirable options contains three or four options, and not a single one of them can be eliminated, all options shall undergo a detailed analysis on the basis of which the most optimal option can be selected.

The proponent shall propose the optimum option to the policy or regulation enactor, and the enactor of the document or regulation in question that may opt for a different option than the one recommended shall pass the final decision thereabout.

**6) Identifying resources for policy implementation, implementation monitoring, and policy impact evaluation**

Identifying resources for policy implementation, implementation monitoring, and policy impact evaluation

Article 32

In this phase the proponent shall identify resources necessary for the implementation of the optimum option, including required funds and other material and human resources (organisational, managerial, and institutional, etc.), as well as necessary regulatory activities, and set implementation deadlines for that option.

Funds for the implementation of policy measures shall be ensured in accordance with the law governing the budget system, namely:

1) from the unused funds allocated to a specific budget beneficiary for the implementation of other policy measures;

2) by redirecting funds from lower priority policies;

3) from donations, instruments for pre-accession assistance of the European Union, and other international funds;

4) based on request to change the appropriation submitted to the ministry responsible for finance and coordinated at the level of the Government in the procedure for setting priority areas of funding.

**IV PRESENTING RESULTS OF THE IMPLEMENTED IA**

Presenting results of the implemented IA

Article 33

The proponent shall substantiate answers to the questions formulated in accordance with this Regulation, and in case of detailed impact assessment the information on the results of impact analysis conducted during policy or regulation drafting, in the report on conducted IA.

The proponent of the policy document may present the results of conducted IA in the documents it proposes, in accordance with the provisions of this Regulation governing mandatory policy documents’ elements.

For carried out only basic impact analysis, it shall be sufficient that the proponent provide precise answers to questions formulated in line with Appendix 2 of this Regulation within the respective policy document or report on conducted IA.

The proponent shall include in the report on conducted IA the results of *ex post* impact analysis of policies or regulations previously adopted in the respective field it regulates.

Policy documents’ proponents shall publish the results of conducted impact analysis along with the proposed policy document on their website or the e-Government portal no later than one day before scheduled public debate.

**IV CONSULTATIONS AND PUBLIC DEBATE**

Purpose of consultations and the choice of the consultation method

Article 34

Policy documents’ proponents shall ensure participation of stakeholders and target groups in consultations.

Implementing consultations in public administration bodies

Article 35

Depending on the nature, scope, and potential effects, the proponent, in formulating policy or drafting regulations shall consult all relevant public administration and state bodies, including civil society organisations and scientific and research organisations.

Consultation deadlines shall be determined so as to provide civil society organisations and scientific and research organisations the opportunity to conduct internal consultations and determine the arguments for making recommendations for improving policies. Concerning policy documents in relation to the accession of the Republic of Serbia to the European Union, consultations shall be carried out in accordance with the legal framework for negotiations on the accession of the Republic of Serbia to the European Union. Republic Secretariat for Public Policy may propose to a state body in the capacity of the proponent of a policy or regulation, to include in the working group for drafting policies or regulations certain stakeholders and target groups, and to employ a certain consultation method if assessed that sufficient representativeness of the participants in consultations is not ensured. The initiative to submit that proposal to the Republic Secretariat for Public Policy may be put forward by any interested party; the Republic Secretariat for Public Policy shall be bound to provide public access to these initiatives and information on the compliance therewith on its website.

Policy documents’ proponents shall consider suggestions presented during consultations by stakeholders and target groups.

Policy documents’ proponents shall publish information on conducted consultations on their websites no later than seven working days from completed consultations.

Composition of working groups and obtaining an opinion

Article 36

A public administration body in the capacity of the proponent shall generally in developing inter-sector policy documents or inter-sector regulations with significant impact, establish an interdepartmental working group responsible for the preparation of the respective document or regulation and include thereto all relevant stakeholders.

In case of serious misunderstandings regarding concrete measures envisaged in the proposed policy document or regulation referred to in paragraph 1 of this Article, the proponent shall, after collecting opinions from all relevant public administration bodies and before forwarding the material to the Government for consideration and adoption, organise coordination meetings to harmonise the opposing positions.

Consultations shall be organised to collect information and positions from stakeholders in regard to the issue to be resolved with the policy document or regulation.

The consultation method (technique) shall be selected based on the issue to be resolved, available time and resources, and available potential participants in the consultation process.

The most commonly used consultation techniques shall be:

1. focus groups;
2. round tables;
3. semi-structured interviews;
4. panels;
5. surveys, and
6. collecting written comments.

Focus groups

Article 37

Focus groups shall comprise respondents that belong to the same interest or target group, and in case of regulations’ IA, regulated entities or entities the regulation applies to.

The purpose of this consultation method is to encourage respondents to present through a conversation their positions regarding issues and possible measures for their resolution.

A focus group shall generally have 6 – 8 participants plus a moderator to direct the discussion and encourage participants to present the information they have and their respective positions.

The result of the focus group is a report on the discussion outcome or on the conclusions regarding considered issues and possible measures for their resolution.

This consultation method shall ensure a detailed examination of the issue in a quick and easy manner, but without an option to involve a large number of respondents.

This consultation method shall allow regulated entities to participate in the early phases of IA.

Round tables

Article 38

A round table as a consultation method shall involve the professional community in order to take a position regarding key policy or regulation issues.

This consultation method is particularly suitable for the initial phase of policy drafting or system reform as it allows taking a position on the principles and key issues in the reform.

Semi-structure interviews

Article 39

A semi-structured interview as a consultation method shall allow one-on-one access to, and interview with respondents regarding confidential and sensitive issues that are important for collecting information and expressing views reluctantly presented to the public.

The topic of the interview shall be defined beforehand, but specific interview questions shall be defined throughout the interview and derived from the interview itself rather than prepared beforehand.

Panels

Article 40

A panel as a consultation method shall involve groups of stakeholders that by filling out questionnaires periodically participate in consultations.

Questionnaires may be semi-structured if they have a section with closed and open-ended questions and the set number of questions and provided answers.

Panels are suitable for monitoring the impact of policy and regulatory measures over time.

Survey

Article 41

A survey as a consultation method shall be based on structured multiple-choice questionnaires that interview a representative sample.

A survey is conducted to more reliably record the actual state and collect positions from as many as possible respondents to gather quantitative data required for the analysis of a certain measure.

Seeing that surveys do not allow a two-way communication or direct contact, they are not a consultation method that can collect reliable information on complicated and delicate issues.

A survey may be completed over the Internet, over the phone, by mail, or in a direct conversation.

Collecting comments

Article 42

Collecting comments as a consultation method shall be used for entities that are most likely to be affected by policy or regulation measures.

This method implies publishing or disbursing draft policy documents or draft regulations or respective materials to collect written comments thereabout within a provided timeframe.

This method is affordable and allows collecting detailed opinions. The main shortcoming of this method is the lack of representation, as capacities for drafting opinions usually rest with large legal entities and associations. This method also requires quite a bit of time to analyse collected comments.

Conducting a public debate

Article 43

**V CONTROL IN IA IMPLEMENTATION WITHIN THE GOVERNMENT**

Mandatory opinion of the Republic Secretariat for Public Policy

Article 44

Policy document proposal or draft regulation with appended Impact Analysis the proponent shall submit to the Republic Secretariat for Public Policy for an opinion, before being sent to the Government for adoption.

If established that impact analysis is not required, the proponent shall explain the respective decision and the assessment and submit them for approval to the Republic Secretariat for Public Policy.

Scope of control exercised by the Republic Secretariat for Public Policy

Article 45

Republic Secretariat for Public Policy, after receiving a policy document proposal or draft regulation with the report on conducted IA for an opinion, shall be required to assess the comprehensiveness of submitted impact analysis and the harmonisation of the proposed policy or regulation with previously adopted policy documents and regulations, and if necessary, give the proponent suggestions on how to improve the document or regulation, and how to implement a detailed IA in accordance with this Regulation.

If on the basis of assessment deeming it not required under the Law and this Regulation the proponent had not conducted IA or detailed IA, but the Republic Secretariat for Public Policy determines that impact analysis or detailed impact analysis should have been carried out, this authority shall be required to promptly inform the proponent on the need to prepare and submit IA or detailed impact IA for an opinion.

Opinion of the Republic Secretariat for Public Policy

Article 46

The opinion of the Republic Secretariat for Public Policy regarding policy document proposal or draft regulation may be as follows:

1. **Positive**, if established that the completed IA is satisfactory and the proponent gave detailed answers to all the questions listed in Appendix 2 of this Regulation based on which the impact of proposed measures can be clearly seen, or in case of required detailed IA, the proponent presented minutely the magnitude of the respective issue, provided quantitative and qualitative assessment of key potential impacts (positive and negative, direct and indirect) the implementation of the policy document or the application of the regulation may create for the general public and the economy in practice, and submitted own assessment of potential impact substantiated with relevant quantitative and qualitative information and appropriate data analyses, based on which the impact of proposed measures can be seen, the implementation of said measures monitored, and their impact assessed.
2. **Conditionally positive**, if established that the IA was conducted only partially, in cases in which the proponent provided incomplete answers to the questions listed in Appendix 2 of this Regulation that are nonetheless sufficient to consider the impact of proposed measures, or if the proponent in case of required detailed IA provided only a partial insight into the nature and relevance of the issue to be resolved with the policy document or regulation, and submitted incomplete quantitative and qualitative data and facts for considering the impact of proposed measures, monitoring their implementation, and evaluating their impact.
3. **Negative,** if established that the content of the IA is not satisfactory, in cases in which the proponent failed to answer the majority of questions listed in control lists from Appendix 2 of this Regulation, or in case of required detailed IA, the proponent provided answers to the questions that offer a slight insight into neither the nature and significance of the issue to be resolved, nor the quantitative and qualitative data and appropriate analyses of that data, based on which the impact the proposed measures may produce in practice can be perceived, their implementation monitored, and their respective impact assessed.
4. **Impact analysis is not required,** if established that the nature and the relevance of a policy document or regulation are as such that they produce either no impact on the general public and the economy, or an impact that is negligible, or if the Secretariat agrees with the assessment of the proponent.

Republic Secretariat for Public Policy shall be required to submit the opinion referred to in paragraph 1 of this Article to the proponent within 10 days, save for cases involving a systemic (framework) law, when the said deadline shall be extended to 20 days, unless prescribed otherwise by law.

Obligation to act in accordance with the opinion

Article 47

The proponent shall be required to harmonise the proposed policy document or draft regulations and implement IA in accordance with the recommendations contained in the opinion of the Republic Secretariat for Public Policy, before further submitting that document to the Government for adoption, and to explain own actions in relation to each recommendation.

Obligation to re-obtain the opinion

Article 48

The proponent shall be required to obtain a new opinion of the Republic Secretariat for Public Policy if subsequently amends the policy document or regulation in a manner that is different, or in the extent that is greater than what the harmonisation with the remarks from the opinion of the Republic Secretariat for Public Policy had entailed.

Consultations between the proponent and the Republic Secretariat for Public Policy

Article 49

The proponent needing expert assistance in assessing the need to implement impact analysis or implement basic or detailed impact assessment, can address the Republic Secretariat for Public Policy in regard to the position on the need and the extent of the analysis.

The proponent shall initiate consultations in line with paragraph 1 of this Article at an early stage of policy or regulation drafting in order to attain a more efficient coordination and communication regarding the issue of mandatory IA and the method for the implementation thereof, but also in regard to the issue of harmonisation between policy documents and regulations.

The proponent may request a preliminary opinion on the need for, and the extent of IA from the Republic Secretariat for Public Policy, in which case the proponent shall submit to that body a request for the opinion with the explanation that contains answers to questions listed in the control list in Appendix 2 of this Regulation.

Republic Secretariat for Public Policy in the aforementioned opinion shall give the proponent instructions regarding the scope of IA implementation and recommendations on the IA implementation methods it proposes.

**VII POLICY MEASURES**

Types of policy measures

Article 50

Measures for achieving policy objectives or resolving issues, by their nature can be:

1. ***Regulatory***, namely legal norms, which set standards and rules regulating social relations, applicable in cases involving:
   * issues with a high degree of risk and/or significant effects on human health and safety;
   * the need for a uniform and standardised approach of all stakeholders that can only be ensured with a regulation or similar general act, or by sanctioning the failure to comply with the prescribed standard, and
   * former unsuccessful practices and inefficiency of other policy instruments.
2. ***Financial***, which include investments, fiscal instruments (subsidies, direct financial benefits, taxes) and other financial instruments applicable in instances in which causes of key identified issues may be influenced by the change in price and/or with fiscal burdens;
3. ***Informational and educational***, which include information campaigns, distribution of publications, educational programmes, and similar activities for raising the awareness regarding a specific problem and ways to overcome it, changes in behaviour of a certain target group subject to policy or regulation, facilitating stakeholders and target groups to enact own decisions based on better information (especially in areas including health care, environmental protection, transportation, etc.).
4. ***Institutional, managerial and organisational,*** which involve establishing special institutions or ensuring new or reallocating already available resources in existing institutions to ensure the implementation of measures envisaged in policy documents.

Realisation of set policy objectives in a policy document may combine various types of policy instruments.

All stakeholders must be consulted, and comparative analyses of solutions for similar issues in other countries considered when identifying possible policy measures and their potential impact in practice and selecting the most favourable option.

**VIII CONTENT AND FORM OF POLICY DOCUMENTS**

Content and form of policy documents

Article 51

Content of policy documents shall depend on the type and scope of those documents, and on the influence of measures contained therein. Form of policy documents shall be regulated depending on certain types of policy documents, bearing in mind their specificity and the need to enact and implement them, and the need to analyse, assess, and evaluate the effects of their measures.

Requirements in terms of policy documents’ form shall introduce minimum standards regarding mandatory content and quality of policy documents in order to enable their quality control before enactment and ensure appropriate transparency.

The form of planning documents shall primarily ensure their proper positioning in the legal system of the Republic of Serbia and their compliance with other applicable planning documents, and properly define the issue to be resolved, identify objectives to be achieved, select optimum measures for achieving those objectives and their integral activities, and select mechanisms for the implementation, impact analysis, and assessment of selected measures.

Excluding a certain segment, a certain planning stage envisaged under the Law and this Regulation, or a certain participant in the planning system from mandatory elements of planning documents prescribed under this Regulation shall not imply that the planning should not be performed in accordance with prescribed principles and standards, but only that the certain segment of the process or the certain planning document is not subject to control.

Mandatory elements of a strategy

Article 52

A strategy shall include:

1) ***Introduction***, containing:

* *legal basis,* which prescribes the competence for the enactment (reference to the constitutional or legal provision);
* *reasons* for the enactment, which include answers to the following questions:

(1) What initiated the drafting of the document, or what indicated the need for public intervention?

(2) Who initiated the drafting of the document (with particular reference to the initiatives from citizens or business, if any)?

(3) The policy document in a given area is being passed for the first time or because the existing document expired?

(4) If being passed because the existing document had expired, brief information on the outcome of the implementation of measures envisaged under that document:

* *short information on institutions* involved in the development of the strategy.

2) ***Description of the factual situation*** (situation analysis) in the area in which the policy documents is passed, including *ex-post* analysis of previous policies in the area with reference to the existing studies and analyses supporting the problem and the need for intervention.

3) ***Information on policy documents and legal framework relevant for the strategy*** i.e. explanation of the link with the policy document according to which it is being passed, if any, as well as explanation of the link between that document and other relevant applicable documents and legal framework, along with the list of general principles applicable for the implementation of specific measures.

4) ***Definition of the issue***, namely:

* *specification of key issues,* with the description of related causes and consequences;
* *identification of stakeholders,* or individuals, groups, legal entities, or organisations that have interest in, or are influenced by policy-implementing measures.

5) ***Definition of policy objectives***, including:

* *designation of the general policy objective* set in a strategy or other policy document according to which it is being enacted (a policy paper or a strategy of a wider scope), or a development planning document*;*
* *identification of performance indicators at the level of the general objective* (policy impact indicator), which involves defining initial values, targeted values, and sources of verification;
* *designation of specific policy objectives* of that policy set in a strategy or other policy document according to which it is being enacted (a policy paper or a strategy of a wider scope), or a development planning document*,* against which specific measures for their realisation are subsequently elaborated;
* *identification of performance indicators for specific objectives* (outcome indicators), which involves defining initial values, targeted values, and sources of verification.

6) ***Identification of policy measures*** for achieving one or more specific objectives, indicating alternatively provided measures, if any (different options for achieving the objective), and involving identification and formulation of outcome indicators for measures, and overview or short description of projects for implementing policy measures.

7) ***Impact analysis for measures in regard to the general population and the economy,*** or social and economic impact analysis for each considered option, if any, including *environmental impact analysis* and *administrative impact analysis,* if any, with special emphasis on the following:

* *poverty;*
* *gender equality (gender equality test);*
* *small and medium-sized enterprises (impact test for small and medium-sized enterprises)...*

8)  ***Identification of mechanisms for the implementation of measures,*** specifying:

* *institutions* responsible for the implementation of a specific measure, or institutions with predominant competence or appointed as coordinating institutions for the implementation of that specific measure, if the implementation falls within the competence of a number of institutions;
* *estimated financial resources and other material resources* necessary for the implementation of measures;
* information on the method of ensuring funds or sources of funds for the implementation of measures;
* *timeframes* for implementation of measures.

9) ***Defining the method for assessing achieved results,*** or the method for evaluating the efficiency of policy document implementation, which includes identifying output indicators for specific measures and verification methods for outputs (sources of information);

10) ***Defining the method for reporting on results,*** specifying the entity responsible for reporting on policy document implementation, the reporting scope, and timeframes.

11) ***Information on consultation outcomes,*** specifying positions presented by consulted groups in relation to considered alternative measures, as well as reasons for accepting or dismissing those positions.

12) ***Impact analysis for measures in terms of the budget,*** completed in line with the regulation governing the way for presenting and reporting on the estimated financial impact of a law, regulation, or any act on the budget *(Rulebook on the manner of presenting and reporting on the estimated financial impact of a law, regulation, or act, on the budget or financial plans of organisations for mandatory social insurance – “Official Gazette of RS”, No. 32/2015).*

13) *Information on regulations* to be passed or amended to implement policy measures.

14) ***Action plan***, prepared using the form prescribed under Article 55 of this Regulation.

Action plan shall be passed for a period of validity of a planning document it elaborates.

Exceptionally, a number of action plans may be passed during the period of validity of any strategy and programme.

If an action plan is not an integral part of a strategy, that strategy shall include a timeframe for adopting the action plan, which may not exceed 90 days from the day of adopting the planning document.

Mandatory elements of a programme

Article 53

A programme shall include:

1) ***Introduction***, in line with Article 52, paragraph 1, point 1) of the Regulation.

2) ***Description of the factual situation*** (situation analysis), in line with Article 52, paragraph 1, point 2) of the Regulation.

3) ***Information on policy documents and legal framework relevant for the programme*** i.e. explanation of the link with policy document according to which it is being passed, if any, as well as explanation of the link between that document and other relevant applicable policy documents and legal framework.

4) ***Definition of the issue***, in line with Article 52, paragraph 1, point 4) of this Regulation.

5) ***Definition of policy objectives****,* which includes:

- assuming the general objective from the strategy or policy paper if the programme elaborates those documents and defines specific objectives;

- assuming performance indicators at the level of general objectives (impact indicators) if the programme elaborates those documents, and defining performance indicators for three specific objectives (output indicators).

6) ***Identification of policy measures*** for achieving one or more specific objectives (three at the most), defined or taken from the strategy or policy paper according to which it is being passed, save for instances in which the programme elaborates measures for achieving objectives that ought to urgently resolve the existing issue, involving identifying and formulating output indicators. A programme may also elaborate measures for achieving objectives due to disturbances in the society or the economy that may produce negative consequences of a grater scale if not resolved promptly.

7) ***Impact analysis for measures in regard to the general public and the economy*,** in line with the criteria defined in Article 52, paragraph 1, point 7) of this Regulation.

*8)* ***Identification of mechanisms for the implementation of measures,*** in line with Article 52, paragraph 1, point 8) of this Regulation.

9) ***Definition of the method for evaluating achieved results,*** in line with Article 52, paragraph 1, point 9) of this Regulation.

10) ***Definition of the method for reporting on results,*** in line with Article 52, paragraph 1, point 10) of this Regulation.

11) ***Information on the outcome of conducted consultations,*** in line with Article 52, paragraph 1, point 11) of this Regulation.

12) ***Impact analysis for measures on the budget,*** in line with Article 52, paragraph 1, point 12) of this Regulation.

13) *Information on regulations* to be passed or amended to implement policy measures.

14) ***Action plan***, prepared in line with the form prescribed under Article 55 of this Regulation.

If an action plan is not an integral part of a programme, that programme shall contain a timeframe for adopting the action plan, which may not exceed 90 days from the day of adopting the planning document.

The programme shall specifically elaborate all measures for the realisation of specific objectives, including activities for realising those measures as it generally elaborates either a strategy or a policy paper and is being passed to resolve a specific issue, making it hence particularly important to meticulously elaborate the impact analysis referred to in paragraph 1, point 7) of this Article.

Mandatory elements of a policy concept

Article 54

A policy concept shall include:

1) ***Introduction***, in line with Article 52, paragraph 1, point 1) of the Regulation;

2) ***Information on policy documents and legal framework relevant for the policy concept*** i.e. explanation of the link with the policy document pursuant to which it is passed, if any, as well as link between that document and other relevant applicable policy documents and legal framework. This section of the policy concept shall include a list of general principles for the implementation of a specific measure.

3) ***Description of the factual situation*** *(situation* analysis), in line with Article 52, paragraph 1, point 2) of the Regulation.

4) ***Description of reasons for passing a policy concept***, including the analysis of considered options and the reasons for selecting the option that is proposed for adoption, if in the course of its enactment a number of options were considered.

5) ***Definition of the issue to be addressed***, in line with Article 52, paragraph 1, point 4) of this Regulation including cause-effect relations between the issue and respective causes and consequences.

6) ***Definition of the policy objective,*** including an indication of the general and specific policy objective as specific, realistic, measurable and time-constricted;

7) ***Identification of policy measures*** for achieving specific objectives that may be used as an alternative (different options for achieving specific objectives), including identification and formulation of output indicators for those measures. Consultations and additional impact analysis for those measures is to be implemented based on mutually exclusive options for the implementation of specific objectives, of which one concept of possible measures is to be proposed as the most appropriate for resolving the existing issues.

8) ***Impact analysis of measures in terms of the general public and the economy***, in line with Article 52, paragraph 1, point 7) of this Regulation.

9) ***Reporting method on results,*** in accordance with Article 52, paragraph 1, point 10) of this Regulation.

10) ***Information on conducted consultations,*** in line with Article 52, paragraph 1, point 11) of this Regulation.

11) ***Impact analysis of measures in terms of the budget,*** in line with Article 52, paragraph 1, point 12) of this Regulation.

12) ***Indicative proposal of future steps with indicative deadlines and responsibilities,*** whereby the proponent may prepare a complete action plan in line with specific planning needs.

Mandatory elements of an action plan

Article 55

An action plan shall include the following:

1. ***Information on the policy document*** according to which it is being passed, or which it comprises (a strategy or a programme).
2. ***General objective taken from the strategy or programme,*** to be achieved with the policy, and ***impact indicators at the level of the general objective*** (policy impact indicator), with the indication of initial values, targeted values, and sources of verification.
3. ***Specific objectives from the strategy or programme*** to be achieved with the policy, and ***impact indicators at the level of specific objectives*** (output indicators), with the indication of initial values, targeted values, and sources of verification.

4) ***Policy measures*** *from the strategy or programme,* for achieving one or more specific objectives, indicating:

* *types of policy measures* (be it regulatory, financial, informational – educational or organisational, managerial and institutional);
* *institutions* responsible for the realisation of each measure;
* *estimated financial resources necessary for the realisation of each measure and sources for ensuring those resources, with mandatory indication of the full amount of funds that must be ensured in the budget:*
* *timeframe for the realisation of each measure;*
* *output indicators* for each measure
* *if needed, output indicators for activities;*
* *verification method* for those results, or sources of information for verification.

5) ***List of operational activities and projects,*** referred to in regard to specific policy measure, further indicating:

* *timeframe* for the realisation of each activity;
* *institutions* responsible for the realisation of each activity, institutions responsible for monitoring the implementation of the action plan, including partners in realisation, if any;
* *resources required for the implementation of activities* and their impact analysis in terms of general public, the economy, and the budget; *chapters in the EU accession negotiations,* if the activity falls within that process.

If the implementation of a specific policy measure calls for amending regulations, the Action plans shall indicate the regulation in question.

The action plan may include performance indicators for specific activities as well as estimated resources for their implementation.

The action plan shall be submitted to the Government for adoption using the form prescribed by the director of the Republic Secretariat for Public Policy.

**IX FINAL PROVISIONS**

Entering into force

Article 56

This Regulation shall enter into force eight days after being published in the “Official Gazette of the Republic of Serbia”.