

CONSULTANT STATEMENT OF WORK

Consultant Name: (Last, First)	Jacobs, Scott Jacobs & Associates	Position Title:	Regulatory Reform Expert
Contract Name:	USAID ESP Croatia		
Billing Code:	CLIN 2	Contract No:	3840-100
Period of Performance:	November 10 – 17, 2005		
Travel Days:	N/A (fixed price agreement TBD)		
Work Days Overseas:	N/A (fixed price agreement TBD)		
Remaining Work Days: (Research, Report Writing)	N/A (fixed price agreement TBD)		
Total Level of Effort:	N/A (fixed price agreement TBD)		
Task Manager:	Jim Winkler		

BACKGROUND

USAID/ESP received a request from Mr. Tomislav Vintar, Vice President, FINA for assistance in regulatory reform. FINA is working closely with senior officials in the Office of the Prime Minister and Ministry of Justice to reform up to 20 business and citizen services. FINA provides “one-stop services” for business registration, and is planning to offer a wide range of services using the new Hitro high technology system (see 2 powerpoint presentations as background from FINA on business and citizen services and the Hitro project). Already, business registration has been reformed and streamlined from 12 steps to 5 steps. However, Mr. Tomislav Vintar admits that another round of reforms on business registration will be necessary at some point in the future. The first breakthrough in reform emboldened reformers who now are willing to explore more radical approaches to regulatory reform.

ESP proposed that FINA and other key government officials in the Ministry of Justice and Office of the Prime Minister consider the regulatory guillotine, or some variation of it, to reform a wide range of regulations. This initiative has the support of the Prime Minister but requires further consultation on the best method for reforming regulations. Margo Thomas of FIAS has already held meeting with the Deputy Prime Minister and representatives of the Ministry of Economy on improving the investment climate. Ms. Thomas will arrive in Croatia on November 13 – 15, 2005, and will work with USAID/ESP and the consultant to assess opportunities for USAID and FIAS to work together on regulatory reform.

OBJECTIVES (SCOPE)

The overall goal of this consultancy is to consult with key government reformers and private sector leaders on their objectives to reform regulations, and explore various alternatives to the slow, painful process of one-by-one regulatory reform. While the full regulatory guillotine may not be possible, some variation or pilot initiative for a subset of regulations to build momentum for reform may be an option for consideration. This consultancy is aimed to bring a high level of expertise on regulatory reform, particularly in preparation for EU accession, which requires that Croatia respond to a series of EU directives.

TASKS (PERFORMANCE REQUIREMENTS)

The Consultant's visit is designed to meet with key government reformers, discuss the regulatory guillotine in the context of EU accession, and identify real opportunities to support reform initiatives. A meeting with key reformers has been set up for Friday, November 11, 2005 from 10 a.m. to 12 p.m. to discuss regulatory reform. Other key meetings will be set up with private sector leaders, FIAS, USAID and other key stakeholders to assess and recommend options for supporting regulatory reform.

Task 1

Meet with key stakeholders in key government agencies to present and discuss experiences in institutional and regulatory reform, or business process engineering, and the guillotine method for EU members and members preparing for accession. Assess the readiness, commitment and capability to implement regulatory reform. Assess reform initiatives to date, such as business registration, and the e-Croatia initiative that creates the technological capacity to deliver a wide range of government services to citizens and businesses for licensing, registration, and other official actions. The Consultant will determine the reform efforts to date, the costs and benefits of past experience and various options considered by reformers for future efforts, and assess the political commitment and capability to engage in regulatory reform over the next 12 to 18 months.

Task 2

Meet with Ed Nemeroff, a Metrology, Accreditation, Standards and Quality consultant working for USAID/ESP, to assess the possibility of applying the regulatory guillotine approach to over 12,000 Gosstandards that establish technical requirements that are no longer market relevant for industry. During Mr. Nemeroff's consultancy, he established a high interest from the Acting Director of the Croatian Standards Agency to abolish most of these old standards that prevent companies from competing at EU and buyer requirements.

Task 3

Identify various opportunities and methods for regulatory reform in the current environment. This might include the full regulatory guillotine or a variation. Assess the institutional mechanism and participants from various ministries to carry out an inter-agency effort that might benefit from ESP assistance.

Task 4

Assess the various options and provide specific recommendations to USAID/ESP on criteria and thresholds for technical assistance for regulatory reform.

DELIVERABLES

The report should be written in two formats: one report would be provided to the key stakeholders in FINA, MOJ, and OPM; a second report or memo would be provided to USAID/ESP for its role to support regulatory reform. The Consultant will write a report to assist key government champions of regulatory reform to design a reform program that is politically feasible and will achieve optimal results.

Deliverable (1):	A report to Croatian government officials and USAID/ESP on findings,	Required Delivery Date:	5 days after departing Croatia on November 15,
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	conclusions, and recommendations for regulatory reform.		2005
Deliverable (2):	A companion report or memo to USAID/ESP on prospects for regulatory reform and recommended technical and other assistance to support reform.	Required Delivery Date:	5 days after departing Croatia on November 15, 2005