

THE CROATIAN PARLIAMENT

1833

Pursuant to Article 89 of the Constitution of the Republic of Croatia, I hereby issue the

DECISION

PROMULGATING THE PUBLIC-PRIVATE PARTNERSHIP ACT

I hereby promulgate the Public-Private Partnership Act passed by the Croatian Parliament at its session on 6 July 2012.

Class: 011-01/12-01/81

Reg no: 71-05-03/1-12-2

Zagreb, 10 July 2012

President of the
Republic of Croatia

Ivo Josipović, m.p.

PUBLIC-PRIVATE PARTNERSHIP ACT

PART I

GENERAL PROVISIONS

Subject of the Act

Article 1

(1) This Act regulates:

1. the procedure of preparing and approving proposals of public-private partnership projects, monitoring of the implementation of public-private partnership projects, the content of public-private partnership contracts and other important issues;
2. the competences of the Agency for Public-Private Partnerships (hereinafter: the Agency).

(2) For all issues not regulated by this Act, the special laws and other regulations of the Republic of Croatia shall apply appropriately.

Definition of a public-private partnership

Article 2

(1) For the purpose of this Act, a public-private partnership (hereinafter: PPP) is a long-term contractual relationship between a public and a private partner for the construction and/or reconstruction and maintenance of public infrastructure, for the purpose of the provision of public services within the area of the public partner's competence.

(2) During implementation of a PPP project, the private partner takes over from the public partner the obligations and risks regarding the financing and building process and at least one of the following risks: public building availability risk and demand risk.

(3) In accordance with the purpose of the PPP project, the public authority may permit the performance of commercial activities with the aim of collection of revenues from third persons on the market. If the performance of commercial activities is not contracted, they shall not be permitted.

(4) The contracted public-private partnership is the PPP model in which the mutual relations of the public partner and the special purpose vehicle are regulated by the public-private partnership contract.

(5) An institutionalised public-private partnership is the PPP model based on the contractual relations between the public and the private partner, in which a joint company is established for the purpose of implementation of the PPP project.

(6) For the purpose of implementation of PPP project, the public partner transfers to the private partner the right to build or awards him a concession.

(7) The public partner may transfer the right to build to the private partner without the payment of a fee, and all issues pertaining to the transfer of the right to build, including the level of the fee, shall be regulated by the public and the private partner in the public-private partnership contract.

(8) The subject of a PPP may not exclusively be delivery of goods or a concession for the economic use of a public or some other good.

(9) The fundamental principles in the preparation and implementation of the PPP project are the principle of public procurement, the principle of the protection of public interests and the principle of cost efficiency.

Basic definitions

Article 3

For the purposes of this Act, the following terms have the following meanings:

1. *A PPP project* is a project approved by the Agency or registered with the Register of public private partnership contracts prior to the entry of this Act into force.

2. *A PPP project proposal* is the documentation submitted by the public authority to the Agency for its approval.

3. *The public private partnership contract* (hereinafter: PPP contract) is a contract concluded between a public partner and the special purpose vehicle in a contractual public private partnership, or between a public and a private partner in an institutionalized public private partnership that, for the purpose of implementation of the PPP project, regulates the rights and obligations of the parties.

4. *A concession* is a concession for public works or a concession for public services in accordance with regulations on concessions.

5. *The right to build* is a real property right pursuant to the provisions regulating ownership and other real property rights.

6. *A public sector comparator (PSC)* is the comparison of the current value of the overall costs of living in the contracted project period according to the traditional (budgetary) model of financing in relation to the same types of costs implemented by the PPP model. The PSC includes the calculation of the fees in monies necessary for settling the total costs, expenditures and project outflows, the allocation of risks between the contracting parties and the quantification of those allocated risks.

7. *A public body* is any body, legal entity or subject who is a client within the meaning of regulations on public procurement.

8. *A public partner* is one or more public bodies that have concluded a PPP contract with the special purpose vehicle or that have incorporated a joint company with a private partner.

9. *A private partner* is an economic operator selected based on the completed public procurement procedure or the procedure for the award of a concession, who establishes a special purpose vehicle or incorporates a joint company with the public partner for the purpose of concluding a PPP contract and implementing a PPP project.

10. *The public building availability risk* is taking on the risk of keeping a public structure in a functional state pursuant to the contracted service standards.

11. *The demand risk* is taking on the risk of achieving revenues from the final service user.

12. *An advisor* is a natural or legal person or association of such persons possessing the expertise necessary for the preparation, contracting and implementation of PPP projects.

The PPP contract

Article 4

(1) The PPP contract shall be concluded in writing and for a specified period of time which may not be shorter than five or longer than forty years, unless a longer period is prescribed by a specific regulation.

(2) The fundamental right and obligation of the public partner shall be the establishment of the standards of services, payment and/or payment of fees, and the supervision of the delivered services.

(3) The fundamental right and obligation of the private partner shall be managing the risks taken on pertaining to the financing and process of building, the public building availability risk and/or the demand risk and collection and/or payment of fees.

(4) The PPP contract shall contain at least provisions regulating:

- the purpose and subject of the contract;
- the period for which the contract is concluded;
- the division of risk between the contracting parties;
- financing and re-financing;
- property rights of the contracting parties and the means for their resolution;
- guarantees and insurance policies;
- payment by contracting parties;
- compensatory and exemptive cases;
- the right to supervision by the public partner;
- contractual penalties;
- the consequences of violations of the contractual obligations;
- premature cessation of the contract;
- the means of terminating relations in the case of a premature cessation of the contract;
- force majeure;
- protection of intellectual property rights, business secrets and confidentiality of data;
- procedure and conditions for the take-over of the structure, if the PPP contract includes the building of a structure;
- the procedure for the resolution of disputes between the contractual parties;
- other rights, obligations and responsibilities of the contractual parties.

(5) The PPP contract must also minimally contain annexes pertaining to the:

- standard of services;
- risk division tables;
- guarantees for fulfilment of the contract;

- guarantees of the parent company for the special purpose vehicle, and
- the financial model.

(6) Components of the PPP contract not listed in paragraphs 4 and 5 of this Article may be freely contracted by the contracting parties pursuant to the regulations on compulsory relations.

(7) If a concession has to be awarded for the purpose of implementing a PPP project, the regulations on concessions shall also apply to the content of the PPP contract.

Special purpose vehicle

Article 5

(1) A special purpose vehicle (hereinafter: SPV) is a company established by the private partner for the purpose of concluding a PPP contract and implementing a PPP project.

(2) An SPV may perform exclusively those activities aimed at implementation of the PPP project for which it has been established.

(3) An SPV shall be established in accordance with the provisions of the act regulating the establishment and operation of companies.

PART II

IMPLEMENTATION OF PPP PROJECTS

Article 6

(1) One or more public bodies may authorize another public body to prepare a PPP project proposal, submit a PPP project proposal, conduct the private partner selection procedure, conclude a PPP contract and implement a PPP project.

(2) Depending on its authorities, a public body may authorize another public body to conduct one, more or all of the activities referred to in paragraph 1 of this Article.

(3) The mutual rights and obligations, mutual payments, payments towards the private partner, manner of notification, control and supervision of the delivery of the contracted standards of public services or space of the public bodies from this Article shall be regulated by a mutual agreement.

Delivery of information on the intent to implement a project

Article 7

(1) The public body delivers information on its intention to implement a project to the Agency, with the aim of informing the Agency of the potential PPP project.

(2) The content of the information from paragraph 1 of this Article shall be stipulated by the Government of the Republic of Croatia by virtue of a regulation on the implementation of public-private partnership projects (hereinafter: the Regulation).

(3) The Agency shall publish the information referred to in paragraph 1 of this Article on its website for the purpose of informing the market about potential PPP projects.

Selection of an advisor

Article 8

(1) The public body or public partner may engage an advisor for the provision of expert support in the preparation of the PPP project proposal, contracting a PPP project and during management of the PPP contract.

(2) The advisor is liable to the public body or public partner for rendering the expert services from paragraph 1 of this Article in accordance with the general regulations, the rules regulating the profession and the provisions of the contracted concluded with the public body or public partner.

(3) The advisor may not be engaged both by a public body and by the economic operator participating in the procedure of selection of private partner on the same project.

Proposal and approval of PPP projects

Article 9

(1) Public bodies are exclusively authorized to propose PPP projects.

(2) The public body shall submit two copies of the project proposal to the Agency for approval.

(3) The documentation accompanying the project proposal shall contain, at least:

1. the Public Sector Comparator (PSC) with an overview of the financial feasibility of the project, and

2. the draft PPP contract with the content from Article 4 of this Act.

(4) The remaining documentation comprising the PPP project proposal and the structure of the public sector comparator (PSC) shall be stipulated by a regulation of the Government of the Republic of Croatia.

(5) If the project proposal is incomplete, the Agency shall send a conclusion to the public body thereof and set a deadline of 15 days to address the insufficiencies, with a warning of the legal consequences if this is not addressed within the set deadline.

(6) If the public body fails to file a supplement to the documentation pursuant to Agency's request from paragraph 5 of this Article within 15 days, the Agency shall reject the project proposal.

(7) In the project proposals approval procedure, the Agency shall determine whether the basic and other criteria have been met for approval of the project proposals.

(8) The criteria for the approval of project proposals shall be :

– the PPP project proposal is in compliance with the definition of a PPP;

– the public body is authorised to propose a PPP project;

– positive value for the money is expressed in the public sector comparator (PSC);

– the PPP project proposal is in accordance with the content from Article 4 of this Act;

– the public body is envisaged to acquire ownership over the public structure that is the subject of the PPP project;

– a contractual period from 5 to 40 years is envisaged, or longer exceptionally pursuant to special regulations.

(9) Other criteria for the approval of PPP project proposals shall be stipulated by the Government of the Republic of Croatia by virtue of a regulation.

(10) The Agency shall approve a PPP project proposal that fulfils the prescribed criteria for the approval of PPP project proposals, with the prior consent from the Ministry of Finance pursuant to Article 11 of this Act.

(11) The Agency shall issue its approval within 5 days from the date of receipt of the consent of the Ministry of Finance as referred to in Article 11 of this Act.

(12) The Agency shall publish information on each approved project in the list of approved PPP projects on its website.

(13) If the Agency assesses that PPP project proposal does not fulfil the criteria for the approval, it shall reject the PPP project proposal.

(14) If the Ministry of Finance does not issue its prior consent pursuant to Article 11 of this Act, the Agency shall reject the PPP project proposal.

(15) If the Ministry of Finance does not decide on the request for issuance of consent within the deadline from Article 11, paragraph 6 of this Act, its consent shall be deemed to be granted to the public body.

(16) In the cases described in paragraphs 13 and 14 of this Article, the Agency shall inform the applicant of the reasons for the rejection of the project proposal in its decision.

Modifications to an approved PPP project

Article 10

- (1) The public body is obliged to inform the Agency of every modification related to the approved project proposal.
- (2) In the case it learns that significant modifications have been made to the approved PPP project proposal, the Agency shall immediately repeal its approval.
- (3) Significant modifications of the PPP project proposal shall be stipulated by a regulation adopted by the Government of the Republic of Croatia.
- (4) The PPP contract concluded after the emergence of significant modifications to the approved PPP project shall be null and void.

Prior consent of the Ministry of Finance

Article 11

- (1) The Agency shall, without delay, deliver the PPP project proposal filed in accordance with Article 9 of this Act, to the Ministry of Finance for its prior consent.
- (2) The Ministry of Finance shall grant the prior consent with regard to the compatibility of the estimated direct financial liabilities of the public body with budgetary plans and projections, and with the conditions and restrictions specified in special regulations.
- (3) The direct financial liabilities referred to in paragraph 2 of this Article shall mean the estimated monetary charges a public body pays for the purpose of realization of the project according to a traditional (budgetary) model.
- (4) The Ministry of Finance may, in addition to the prior consent, give the Agency its opinion on all other elements of the PPP project proposal, especially regarding direct and indirect fiscal effects and risks.
- (5) The fiscal effects and risks referred to in paragraph 4 of this Article shall mean all those potential events that could produce negative effects on the financial position of public body or the body whose financial position depends on the public body, and that are the result of factors related to PPP project.
- (6) The Ministry of Finance shall grant the prior consent and its opinion to a PPP project proposal where given to the Agency within 30 days from the date of receipt of the PPP project proposal referred to in paragraph 1 of this Article.

Status of PPP projects

Article 12

- (1) The PPP project proposal shall acquire the status of a PPP project solely on the basis of the Agency approval referred to in Article 9, paragraph 10 of this Act.
- (2) A public body may initiate the procedure for selection of a private partner only after the PPP project proposal acquires the status of a PPP project.
- (3) A PPP contract concluded without the approval granted by the Agency shall be null and void.
- (4) If the public body does not initiate the procedure for the selection of a private partner within the term of one year from the date of acquiring the status of a PPP project, it will be required to reinitiate the procedure of proposing and approval of the PPP project proposal and the approval granted by the Agency and the prior consent of the Ministry of Finance shall expire.

Private partner selection procedure

Article 13

- (1) If the right to build is transferred for the purpose of implementation of a PPP project, the private partner selection procedure shall be conducted pursuant to the regulations on public procurement, with the application of Articles 5 and 14 of this Act.
- (2) As an exception to the regulations on public procurement, in the private partner selection procedure, the application of the provision on subcontractors is not mandatory.
- (3) If a concession is awarded for the purpose of PPP project realization, the private partner selection procedure shall be conducted pursuant to the regulations on the procedure for awarding a concession, with application of Articles 5 and 14 of this Act accordingly.

Bid selection criteria

Article 14

- (1) The award criterion for the selection of a private partner's bid shall exclusively be the most economically advantageous bid.
- (2) The award criteria for the selection of most economically advantageous bid that shall be applied by the public body in the private partner selection procedure shall be stipulated in a regulation adopted by the Government of the Republic of Croatia.

Cooperation of the Agency and the public body

Article 15

- (1) The public body shall co-operate with the Agency for the purpose of resolving specific issues in the area of PPP.

(2) In the implementation of the co-operation from paragraph 1 of this Article, the Agency shall give its recommendations or opinions to the public body.

Register of public-private partnership contracts

Article 16

(1) The Agency constitutes and keeps the Register of public private partnership contracts.

(2) The public partner shall submit to the Agency two copies of the concluded PPP contract and all amendments and annexes thereto, within 30 days from the date of the beginning of application of the contract or its amendment. Concluded PPP contracts with all annexes thereto, and all amendments to the contract and its annexes, shall be registered with the Register kept by the Agency.

(3) Upon receipt of a PPP contract, the Agency shall deliver one copy to the Ministry of Finance without delay.

(4) The Register referred to in paragraph 1 of this Article shall be public and the excerpt from the Register shall be published on the Agency's website.

(5) The Minister responsible for the economy shall adopt an ordinance on the constitution and keeping of the register of public private partnership contracts.

Monitoring the implementation of PPP projects

Article 17

(1) The Agency monitors the implementation of PPP projects registered in the Register of public private partnership contracts throughout their entire duration.

(2) During monitoring of implementation of PPP projects, the Agency shall observe the performance of contractual obligations of both the public and the private partner.

(3) The Agency monitors the implementation of PPP projects pursuant to the Report on the implementation of the PPP project, in accordance with Article 18 of this Act.

Report on the implementation of the PPP project

Article 18

(1) The public partner shall, within a term of 6 months from the date of registration of the PPP contract in the Register of public private partnership contracts, submit to the Agency the first Report on the implementation of the PPP project that shall be signed and certified with the official seal of both the public and the private partner.

- (2) The form of the report referred to in paragraph 1 of this Article shall be stipulated in a regulation adopted by the Government of the Republic of Croatia.
- (3) Following the first report, the public partner shall submit subsequent reports every six months.
- (4) The final report shall be submitted at latest within 6 months from the expiry of the term contracted for the implementation of the PPP project.
- (5) The Agency may request additional explanation, clarification and responses from the parties regarding specific statements of the report.
- (6) The Agency is obliged to make the reports from this Article available to the public in an appropriate manner, in line with the Statute of the Agency.

Amendments to the PPP contract

Article 19

- (1) Prior to concluding amendments of the PPP contract, the public partner shall submit the proposal of those amendments to the Agency for its approval.
- (2) In addition to the proposal of the amendments, the public partner shall also submit explanations of the proposed amendments to the Agency.
- (3) The Agency may request further explanations or documentation regarding the proposed amendments to the PPP contract.
- (4) The Agency shall, without any delay, request the opinion of the Ministry of Finance on the proposed amendments if they imply assuming increased direct financial liabilities by a public body, in relation to those for which Ministry of Finance already granted its prior consent. The Ministry of Finance shall give its opinion within 15 days from the date of receipt of the Agency's request.
- (5) Prior to issuing approval for the proposed amendments, the Agency may request the opinion of other state bodies.
- (6) If the proposed amendments of PPP contract are permitted and justified, the Agency shall issue approval for the amendments of PPP contract to the public partner within 30 days from the date of receipt of complete documentation from paragraphs 1 to 3 of this Article.
- (7) In the case from paragraph 4 of this Article, the Agency shall issue its approval to the public partner within 15 days from the date of receipt of the opinion from the Ministry of Finance.
- (8) Amendments to the PPP contract during its duration shall be deemed a new contract, for which the public partner is obliged to initiate new proceedings of proposing the draft PPP

project, if those amendments are significant in relation to the content of the original PPP contract and if they represent the intent of the contracting parties to redefine the basic elements of the original contract.

(9) Significant amendments to the PPP contract in the sense of paragraph 8 of this Article are amendments which:

1. introduce conditions that, had they been part of the initial private partner selection procedure, would have allowed for the submission of different bids from those that were submitted in the initial procedure, or would have allowed for the selection of a different bid than the bid selected in the initial procedures, or
2. significantly expand the subject of the PPP contract to works or services that were not included in the initial contract, or
3. change the economic balance of the PPP contract to benefit the private partner in such a way that was not foreseen in the conditions of the initial PPP contract.

(10) Other important issues relating to amendments to the PPP contract may be prescribed by a regulation of the Government of the Republic of Croatia.

(11) The Agency shall inform the Ministry of Finance on the issued approval.

(12) Amendments of PPP contracts concluded contrary to the provisions of this Article shall be null and void.

Article 20

The provisions of this Part of the Act apply to both contractual and institutionalised public-private partnerships.

PART III

AGENCY FOR PUBLIC-PRIVATE PARTNERSHIPS

Article 21

(1) The Agency for Public-Private Partnerships is established pursuant to the Act on Public-Private Partnerships (Official Gazette 129/08 and 55/11) and is a legal person with public authority.

(2) The establishment rights and duties on behalf of the Republic of Croatia as the founder of the Agency are carried out by the Government of the Republic of Croatia.

(3) The Agency has the status of a legal person and is entered into the court register.

(4) The seat of the Agency is in Zagreb.

(5) The abbreviated name of the Agency is: APPP.

(6) The Agency may, where required, establish professional, advisory or working bodies whose composition, manner of establishment, scope and competencies are regulated by the Statute of the Agency.

Article 22

The Agency shall perform the following tasks:

- a) conduct the procedure for the approval of PPP project proposals,
- b) publish the list of information on projects intended to be implemented according to the public private partnership model,
- c) publish the list of the approved PPP projects,
- d) co-operate with public bodies in the private partner selection procedure,
- e) constitute and keep the Register of public-private partnership contracts,
- f) monitor the implementation of PPP projects pursuant to the provisions of this Act,
- g) propose amendments to this Act to authorized proposers,
- h) participate in drafting regulations in the field of public-private partnership,
- i) develop and publish guides and handbooks for the preparation, contracting and implementation of PPP projects and give instructions and explanations in the area of PPP,
- j) pass decisions in relation to the performance of tasks under the competence of the Agency as provided by this Act,
- k) participate in informing entities on the public-private partnership market on the legal and institutional framework of PPP, in the transfer of PPP know-how and in the promotion of the best practices,
- l) co-operate with foreign state bodies authorised to apply PPP models and implement PPP projects, and with international organisations and institutions for the purpose of advancing the national theory and implementation of the PPP model, and for the purpose of fulfilling the international obligations of the Republic of Croatia transferred to the competency of the Agency,
- m) co-operate with the national scientific and research institutions, social partners, economic and non-governmental organisations and other interested stakeholders for the purpose of advancing the national PPP model theory and implementation,
- n) perform other tasks in accordance with the provisions of this Act and the Statute of the Agency.

Article 23

(1) The internal organisation, competencies and decision-making procedure of the Agency's bodies and other issues important for the activity and operation of the Agency shall be regulated by the Statute of the Agency.

(2) The Statute of the Agency shall be adopted by the Executive Council of the Agency at the proposal of the Agency's director.

Article 24

(1) The resources for the performance of tasks from the Agency's scope of work shall be secured from:

1. the budget of the Republic of Croatia,
2. earmarked revenues.

(2) The financial resources referred to in paragraph 1, item 1 of this Article shall be listed under a special budget heading of the State Budget of the Republic of Croatia.

Article 25

The bodies of the Agency are the Executive Council and the Agency director (hereinafter: the director).

Article 26

(1) The Agency shall be managed by the Executive Council consisting of a president and four members.

(2) The president of the Executive Council shall be the Deputy Prime Minister of the Government of the Republic of Croatia so authorised by the Government, while its members shall be the ministers responsible for the economy, finance, construction and the judiciary.

(3) The president and members of the Executive Council shall be appointed and recalled by the Government of the Republic of Croatia.

(4) The Executive Council shall adopt the Programme of the Agency specifying in detail the activities and tasks of the Agency for each calendar year, it shall supervise the implementation of the Agency's annual work programme, decide on the financial plan, adopt the annual financial report of the Agency, and perform other tasks in accordance with the Statute of the Agency.

(5) The Executive Council shall adopt decisions at its sessions by a majority vote of all members of the Executive Council.

(6) A detailed manner of passing decisions and other issues related to the activity of the Executive Council shall be regulated in the Statute of the Agency.

Article 27

(1) The Agency shall be represented by the director.

(2) The director shall organise and manage the work and operations of the Agency, undertake all legal actions in the name and on behalf of the Agency, represent the Agency in all procedures before the courts, administrative and other state bodies and legal persons with public authority, and within the limits of his/her powers he/she may empower another person to represent the Agency in legal transactions.

(3) The director may not act, without special authority so granted by the Executive Council, as the other contracting party and conclude contracts with the Agency in his/her own name and on his/her own behalf, in his/her own name and on behalf of other persons, or in the name and on behalf of other persons.

(4) The director shall have university graduate qualifications or specialist graduate professional qualifications in the field of law, economics or in the technical field and at least ten years of work experience in the profession.

(5) The Government of the Republic of Croatia shall appoint the director at the proposal of the Executive Council for a period of four years, with the possibility of reappointment.

(6) The Executive Council shall appoint a deputy director at the proposal of the director for a term of four years, with the possibility of reappointment.

(7) The deputy director shall carry out the activities specified in the Statute of the Agency.

(8) While performing tasks referred to in this Article, the director and the deputy director have the right to a salary and other material rights stipulated by the employment contract, internal acts of the Agency and the general labour regulations.

Article 28

The Agency shall keep accounts and draw up financial reports under the regulations on the accounting procedures for budgetary beneficiaries.

Article 29

(1) The Agency shall be responsible for its work to the Government of the Republic of Croatia.

(2) The Agency shall submit a written report on the Agency's work to the Government of the Republic of Croatia at least once a year.

PART IV

LEGAL PROTECTION

Article 30

(1) Legal protection in the private partner selection procedure shall be conducted in accordance with the regulations on public procurement.

(2) The acts of the Agency are final and no appeals are permitted though an administrative suit against them may be filed.

Article 31

(1) For disputes between the parties arising from PPP contract, parties may agree upon arbitral dispute resolution or reconciliation.

(2) In the procedures referred to in paragraph 1 of this Article, the law of the Republic of Croatia shall apply.

(3) If the parties do not agree upon the arbitral dispute resolution or reconciliation, the Commercial Court in the area where the real estate from Article 2, paragraph 1 of this Act shall have exclusive jurisdiction.

PART V

PENAL PROVISIONS

Article 32

If the Agency or another competent body deems that the provisions of this Act have been violated by the public body or the public partner, it shall file charges with the competent misdemeanour court.

Article 33

(1) A fine for a misdemeanour in the amount from HRK 50,000.00 to HRK 1,000,000.00 HRK shall be imposed upon the public body or public partner:

1. if the public partner fails to submit copies of the concluded PPP contract with all the annexes and amendments thereto to the Agency within the prescribed deadline (Article 16, paragraph 2),
2. if the public partner fails to submit the report on the implementation of the PPP project (Article 18) to the Agency within the prescribed deadline.

(2) A fine in the amount from HRK 5,000.00 to HRK 50,000.00 shall be imposed on the responsible person in the public body or a public partner for a misdemeanour referred to in paragraph 1 of this Article.

Article 34

(1) Misdemeanour proceedings for misdemeanours stipulated under this Act may not be instituted after the expiry of three years from the date on which the misdemeanour was committed.

(2) The absolute statute of limitations shall take effect upon the expiry of a period twice as long as the period after the date on which misdemeanour was committed as stipulated in paragraph 1 of this Article.

PART VI

TRANSITIONAL AND FINAL PROVISIONS

Article 35

The Government of the Republic of Croatia shall pass the regulation referred to in Article 7 paragraph 2, Article 9 paragraphs 4 and 9, Article 10 paragraph 3, Article 14 paragraph 2, Article 18 paragraph 2 and Article 19 paragraph 10 of this Act within 30 days from the day of entry into force of this Act.

Article 36

(1) Procedures initiated prior to the entry of this Act into force shall continue and be completed in line with the provisions of the Act on Public-Private Partnerships (Official Gazette 129/08 and 55/11).

(2) The provisions of this Act on monitoring the implementation of PPP projects shall apply to all PPP contracts registered into the Register.

(3) The provisions of this Act on amendments of PPP contracts shall also apply to PPP contracts concluded prior to the entry of this Act into force.

Article 37

The Agency for Public-Private Partnerships established under the Act on Public-Private Partnership (Official Gazette 129/08 and 55/11) shall continue with its work pursuant to the provisions of this Act.

Article 38

On the date of entry into force of this Act, the Act on Public-Private Partnership (Official Gazette 129/08 and 55/11) shall cease to have effect.

Article 39

Until the adoption of the Regulation on the implementation of public-private partnership projects, the following shall remain in effect:

- Regulation on the content of public-private partnership contracts (Official Gazette 56/09),
- Regulation on the assessment criteria and approval of public-private partnership projects (Official Gazette 56/09),
- Regulation on the supervision of implementation of public-private partnership projects (Official Gazette 56/09),
- Regulation on the training of participants in the preparation procedures and implementation of public-private partnership projects (Official Gazette 56/09).

Article 40

(1) The Minister responsible for the economy shall issue an ordinance on the constitution and keeping of the Register of public-private partnership contracts within 90 days of the entry of this Act into force.

(2) The Ordinance on the constitution and keeping of the Register of public-private partnership contracts (Official Gazette 147/10) shall remain in effect until the entry of the ordinance from paragraph 1 of this Article into force.

Article 41

This Act shall enter into force on the eight day after the day of its publication in the Official Gazette.

Class: 305-01/12-01/04

Zagreb, 6 July 2012

THE CROATIAN PARLIAMENT

Vice-president of
the Croatian
Parliament

Josip Leko, m. p.