



STATUTE

OF THE CROATIAN STANDARDS INSTITUTE

Zagreb, June 2005.



HZN

Hrvatski zavod za norme
Croatian Standards Institute

Pursuant to Article 5, paragraph 6 of the Law on Standardization (»Official Gazette«, No. 163/2003) and Article 17, paragraph 1 of the Decree on the Establishment of the Croatian Standards Institute (»Official Gazette«, No. 154/2004 and 44/2005), at its sessions held on 12 May and 14 June 2005 the Administrative Board of the Croatian Standards Institute adopted the following

STATUTE OF THE CROATIAN STANDARDS INSTITUTE

I. GENERAL PROVISIONS

Article 1

This Statute lays down the name, seat and seal of the Croatian Standards Institute (hereinafter: HZN), representation of HZN, activity, organizational structure, membership in the Croatian Standards Institute, bodies of HZN, scope of their work and mode of decision-making, funding and operations, assets and liabilities, openness to the public, internal regulations, confidentiality of data, supervision of its work and other issues relevant to the work of HZN.

Article 2

The founder of HZN is the Government of the Republic of Croatia on behalf of the Republic of Croatia.

Article 3

HZN is an autonomous non-profit public institution established as the national standards body of the Republic of Croatia with a view to accomplishing the following goals of standardization: increasing the safety level of products and processes, protecting human health and lives and environmental protection, promoting the quality of products, processes and services, ensuring the appropriate use of work, materials and energy, improving production efficiency, controlling variety, ensuring compatibility and interchangeability, as well as removing technical barriers to international trade.

Article 4

HZN is a legal entity with the rights, obligations and responsibility as stipulated by the Law on Standardization (»Official Gazette«, No. 163/2003) – hereinafter: the Law), Law on Public Institutions (»Official Gazette« No. 76/1993, 29/1997 and 47/1999), Decree on the Establishment of the Croatian Standards Institute (»Official Gazette«, No. 154/2004 and 44/2005) – hereinafter: the Decree) and this Statute.

II. NAME, SEAT AND SEAL OF THE CROATIAN STANDARDS INSTITUTE

Article 5

HZN performs its activities, operates and participates in legal transactions under the name »HRVATSKI ZAVOD ZA NORME«.

The name of HZN in the English language is the »CROATIAN STANDARDS INSTITUTE«.

Its abbreviated name is HZN.

The name »HRVATSKI ZAVOD ZA NORME« shall be inscribed on a sign placed on the building where its seat is lo-

cated, i.e. where it performs the activities for the purpose of which it has been established.

Article 6

The seat of HZN is in Zagreb.

Article 7

HZN has its seal. The seal is circular, 30 mm in diameter. The following words are inscribed in the upper semicircle of the seal: REPUBLIKA HRVATSKA, and the following in the lower semicircle: HRVATSKI ZAVOD ZA NORME, ZAGREB. In the centre of the seal the logo of HZN is inscribed.

The ordinal number of the seal is placed above the logo.

Article 8

In administrative tasks HZN shall use a rectangular stamp containing the name and logo of HZN, as well as a space for the registration number and date of receipt of a document.

The manner of use and the number of seals and stamps, as well as the persons responsible for their keeping, shall be defined by the Director General of HZN.

III. REPRESENTATION OF THE CROATIAN STANDARDS INSTITUTE

Article 9

HZN is a registered public institution.

Article 10

HZN operates independently and performs its activities under the terms and conditions and in the manner defined by the Law on Public Institutions, the Law, the Decree, other regulations, this Statute and other internal regulations of HZN.

Article 11

HZN shall be represented and acted on behalf of by its Director General within its registered activity, with limitations established by this Statute.

IV. ACTIVITY OF THE CROATIAN STANDARDS INSTITUTE

Article 12

The activity of HZN shall cover the operations established by the Law and the Decree.

Article 13

HZN shall perform its activity in accordance with the rules of international and European organizations for standardization and the Code of Good Practice for Standardization of the World Trade Organization.

V. ORGANIZATIONAL STRUCTURE OF THE CROATIAN STANDARDS INSTITUTE

Article 14

HZN shall perform its activities in the following organizational units:

1. Director General's Office
2. Standardization Department
3. Communications Department
4. Development and New Activities Department
5. General Administrative Services Department.

Article 15

The Director General's Office shall carry out technical and administrative tasks for the official needs of the Director General and attend to protocol affairs for the Director General and his/her deputy, relations with the Government of the Republic of Croatia and central government bodies, as well as the affairs related to the work of HZN bodies.

Article 16

The Standardization Department shall carry out technical tasks related to the establishment of programming committees, technical committees, subcommittees, working groups and commissions in all standardization sectors and monitor their work, develop draft standards and other normative documents, prepare standards for printing, maintain necessary records and carry out other tasks in the field of standardization.

Standardization sectors shall be as follows: services; basic standards; building and construction; chemicals, chemical engineering, agricultural and food products; products for household and leisure use; mechanical engineering; metal materials; non-metal materials; environment, health and medical equipment; transport, mechanical handling and packaging; general electrotechnical standards; electronic engineering; electrical engineering; information technology; telecommunications.

Article 17

The Communications Department shall be in charge of collecting and providing information within the scope of HZN, sale and distribution of standards and other normative documents (Croatian, international and other national) and marketing. It shall organize the work of the Inquiry Point on Croatian technical regulations, standards and conformity assessment procedures.

The Communications Department shall comprise the Standards Library, which shall maintain a collection of Croatian standards, a collection of standards of international (ISO, IEC) and European organizations (CEN, CENELEC, ETSI) and collections of standards of certain national organizations, as well as collections of other standardization documents, maintain databases for searching data on standards and similar docu-

ments and provide information and documentation services to users.

The Communications Department shall be in charge of cooperation with international and European organizations for standardization, organize and monitor participation of representatives of the Republic of Croatia in the work of these organizations and manage technical assistance projects.

The Communications Department shall be in charge of HZN's public relations, take care of HZN's visual identity, design its Web pages, develop promotional materials, prepare and organize promotional events.

The Communications Department shall be in charge of developing, designing and maintaining information systems of HZN, software and hardware, Web pages, user applications and databases.

Article 18

The Development and New Activities Department shall prepare and implement development projects and prepare new activities of HZN in accordance with the Law, the Decree and this Statute.

Article 19

The General Administrative Services Department shall be in charge of legal affairs, human resource management, finance, accounting and other general administrative services of HZN.

Article 20

The scope of work of individual organizational units, their mode of working, tasks and responsibility shall be regulated by an internal regulation on the internal organization and job classification in accordance with this Statute.

The Director General shall assign workers to individual tasks. The Director General shall prescribe obligations, rights and responsibilities, as well as specific conditions for the selection, training and appointment of skilled workers.

VI. MEMBERS OF THE CROATIAN STANDARDS INSTITUTE

Article 21

With a view to fulfilling their interests in relation to Croatian standardization, each legal entity or natural person with the seat or residence in the Republic of Croatia may be a member of HZN.

Article 22

A member of HZN has the right to participate in the work and management of HZN by: participating and voting at the assemblies of the Expert Council, proposing and being elected as a member of the Administrative Board and other bodies of HZN and participating in the work of other bodies of HZN.

A member of HZN shall comply with the Statute and other documents of HZN, pay membership fees, promote the use of Croatian standards and protect the reputation of HZN.

Members in HZN may be full members or observers.

Rights and responsibilities of members, types of membership, as well as the amount and manner of payment of membership fees shall be laid down in detail by an internal regulation adopted by the Administrative Board of HZN.

Membership in HZN shall be obtained by filing an application for membership and a declaration on accepting the principles and rules of HZN and by paying the membership fee.

Membership in HZN may terminate based on a written request by the member or for any other reason defined by an internal regulation of HZN.

VII. BODIES OF THE CROATIAN STANDARDS INSTITUTE

Article 23

Bodies of HZN shall be:

1. Administrative Board
2. Expert Council
3. Director General
4. Standards Council
5. Technical Board
6. Programming committees
7. Technical committees.

The Administrative Board may establish commissions for specific tasks from the scope of HZN. Rules for the establishment and work of commissions shall be laid down by an internal regulation adopted by the Administrative Board.

1. ADMINISTRATIVE BOARD OF THE CROATIAN STANDARDS INSTITUTE

Article 24

The work of HZN shall be managed by the Administrative Board of HZN (hereinafter: the Administrative Board).

The Administrative Board has a chairman and six members appointed by the Government of the Republic of Croatia, as follows:

- four members on the proposal of the Expert Council
- one member on the proposal of the ministry competent for science
- one member on the proposal of the ministry competent for economy
- one member from among the representatives of business associations.

The Chairman and the members of the Administrative Board shall be appointed to a four-year term.

The Administrative Board shall report to the Government of the Republic of Croatia and the ministry competent for science.

Article 25

The Administrative Board shall perform the following:

- adopt its Rules of Procedure
- adopt the Statute with the consent of the Government of the Republic of Croatia
- adopt an internal regulation on internal organization and job classification
- adopt wage and salary regulation
- adopt internal regulations laying down the rules for Croatian standardization process
- adopt an internal regulation on the commission resolving objections in regard to HZN workers' rights deriving from la-

bour relations and in connection with labour relations and other internal regulations

- adopt the annual work programme and define the development plan of HZN and control their implementation
- adopt the annual financial plan of HZN and its amendments and approve periodical accounts or the annual accounts of HZN
- approve the report on the implementation of the annual work programme and business plan of HZN
- decide on granting consent to the Director General for acquiring, burdening and disposing of real property or other assets of HZN in accordance with Article 38 hereof
- with the consent of the Government of the Republic of Croatia, decide on legal transactions of HZN the value of which exceeds HRK 1.000.000,00
- propose to the Government of the Republic of Croatia any changes to the name and activity, as well as the status of HZN
- appoint and relieve the Deputy Director General and Assistant Directors-General of duty
- appoint and relieve members of the Standards Council of duty
- decide on membership fees and specific issues in regard to membership
- establish and resolve commissions, programming committees and technical committees
- decide on issues related to HZN membership in international and European organizations for standardization ISO (International Organization for Standardization), IEC (International Electrotechnical Commission), CEN (European Committee for Standardization), CENELEC (European Committee for Electrotechnical Standardization) and ETSI (European Telecommunications Standards Institute)
- determine the members of delegations of the Republic of Croatia to general assemblies of international and European organizations for standardization
- confirm the representatives of the Republic of Croatia working in management and technical bodies of international and European organizations for standardization
- decide on cooperation and membership in international and European bodies and bodies of other countries
- decide on issues related to the cooperation of HZN with the central government bodies, particularly on the issues related to the implementation of technical legislation
- establish price lists of standards and other publications
- establish schedule of fees for HZN services
- discuss and decide on other issues relevant to the Croatian standardization activities.

Article 26

The Administrative Board shall pass its decisions on its sessions.

Sessions of the Administrative Board shall be convened and chaired by the Chairman of the Administrative Board. Where necessary, in case of the Chairman's absence, sessions shall be chaired by the Deputy Chairman as agreed with the Director General or on the proposal of the Director General.

The Deputy Chairman of the Administrative Board shall be appointed by the Administrative Board.

Sessions of the Administrative Board shall be held as necessary, but at least six times a year.

The Administrative Board shall adopt its decisions by a simple majority of votes of the total number of members in the manner defined by the Administrative Board's Rules of Procedure.

Article 27

The Chairman of the Administrative Board shall:

- convene and chair sessions of the Administrative Board
- sign the decisions and internal regulations adopted by the Administrative Board
- coordinate the work of the Administrative Board's members, act on behalf of the Administrative Board in relation to other bodies and persons.

Article 28

The Director General of HZN shall participate in the work of the Administrative Board without decision-making rights.

The Chairman of the Administrative Board shall convene a meeting of the Administrative Board if this is requested by:

- at least four members of the Administrative Board
- Director General of HZN
- minister competent for science
- Government of the Republic of Croatia.

Article 29

A member of the Administrative Board shall regularly attend sessions of the Administrative Board and convey the information and initiatives of the Administrative Board to the body he/she was proposed by, as well as the information and initiatives of that body to the Administrative Board and the Director General of HZN.

A member of the Administrative Board may be relieved of duty before the expiry of his/her term of office:

- at his/her own request
- if the body or person he/she represents requests so because the member of the Administrative Board has failed to promote the interests of that body/person
- if he/she has failed to fulfil his/her duties as the member of the Administrative Board for more than three months
- if he/she loses his/her capacity to perform his/her duties
- if he/she jeopardizes HZN's reputation by his/her behaviour.

A written and argued proposal for relieving a member of the Administrative Board of duty may be submitted by the Administrative Board and the Director General of HZN.

Article 30

If any member of the Administrative Board is relieved of duty for any reason whatsoever, the Government of the Republic of Croatia shall, on the proposal of the minister competent for science, appoint a new member in accordance with Article 23 hereof.

The term of the newly appointed member of the Administrative Board shall run until the expiry of the term to which the member whose membership has terminated was appointed.

The Administrative Board shall notify the Government of the Republic of Croatia of the need to appoint a new member within eight days from becoming aware of this need.

Article 31

Members of the Administrative Board shall be entitled to remuneration for their work and to reimbursement of the actual amount of their material costs in accordance with internal regulations of HZN.

2. EXPERT COUNCIL

Article 32

The Expert Council is composed of all members of HZN. The Expert Council shall perform the following tasks:

- consider issues related to membership and give proposals
- consider the draft annual work programme of HZN and propose its adoption
- consider the annual report on HZN's work and give proposals for any improvements of its work
- propose to the Government of the Republic of Croatia its own members as candidates for the Standards Council
- propose to the Government of the Republic of Croatia its own members as candidates for the Administrative Board
- consider other issues relevant to the Croatian standardization and give proposals.

Article 33

The Expert Council shall perform tasks within its scope at its regular and extraordinary meetings.

Regular meetings of the Expert Council shall be held once a year.

Extraordinary meetings of the Expert Council shall be convened within 30 days from the day of receipt of a written request to do so submitted by:

- at least four members of the Administrative Board
- one fifth of the members of the Expert Council.

The Expert Council shall adopt its decisions by a simple majority of votes of its members present in the manner defined by the Rules of Procedure of the Expert Council.

The Director General, the Deputy Director General and Assistant Directors-General, as well as other experts and members of the Administrative Board, may, if invited, participate in the work of the Expert Council without decision-making rights.

3. DIRECTOR GENERAL

Article 34

The Director General represents and acts of behalf of HZN, as well as manages its work and operations.

The Director General is responsible for the regularity of HZN's work.

Article 35

The Director General shall be appointed and relieved of duty by the Government of the Republic of Croatia on the proposal of the minister responsible for science.

The Director General shall be appointed to a four-year term based on a vacancy announcement.

Decision to announce the vacancy of Director General shall be adopted by the Administrative Board at least three months before the expiry of his/her current term of office.

The vacancy shall be announced in the »Official Gazette«.

The contents of the vacancy announcement shall be in accordance with the Law, the Decree and this Statute.

Prerequisites for being appointed as the Director General of HZN are as follows:

- Croatian citizenship
- university qualifications
- at least ten years of work experience
- at least two years of experience in professional tasks in standardization
- capability of organizing and managing affairs
- active knowledge of the English language
- computer literacy
- absence of a criminal record on any final judgement for a crime against person, against freedom and human and civil rights, against dignity and the morals, against marriage, family and youth, against property or a crime against the Republic of Croatia.

Article 36

The Director General of HZN reports to the Government of the Republic of Croatia, the minister competent for science and the Administrative Board.

Article 37

The Director General of HZN shall be employed at HZN, where he/she shall exercise his/her rights and obligations deriving from labour relations, unless otherwise prescribed by law.

Mutual rights and obligations of the Director General and HZN shall be regulated by a contract of employment to be concluded on behalf of HZN by the Chairman of the Administrative Board in accordance with a decision of the Administrative Board on the material provisions of the contract.

Article 38

The Director General of HZN shall:

- organize and manage the work and operations of HZN
- undertake all legal actions on behalf and for the account of HZN
- propose to the Administrative Board the fundamentals of HZN's business policy, financial plan and work programme
- adopt decisions in regard to HZN's operations other than those decided on by the Administrative Board
- ensure implementation of the Law, the Decree, this Statute, financial plan and work programme, as well as other internal regulations of HZN
- adopt the Rules of Procedure, Business Secret Regulation and other internal regulations which are hereunder outside the competence of the Administrative Board
- decide on the use of funds for the needs of HZN the value of which exceeds HRK 200.000,00
- with the prior consent of the Administrative Board, decide on the acquisition, disposal or burdening of real property and other assets of HZN the individual acquisition value of which in one year exceeds HRK 200.000,00
- at least twice a year submit a report on the work and operations of HZN to the Administrative Board
- at least once a year and no later than on 30 April of the current year for the preceding year, submit to the Government of the Republic of Croatia and the ministry competent for

science a report on the implementation of the annual work programme and business plan of HZN

- be responsible for authorized spending of HZN funds
- ensure conditions for the work of the Administrative Board and propose draft Statute and other internal regulations and decisions within the scope of the Administrative Board
- on the proposal of the Technical Board, adopt decisions on hiring external consultants for preparing proposals for adopting Croatian standards
- adopt decisions on adopting, amending or withdrawing Croatian standards on the proposal of the Technical Board
- take care of the rights and obligations of HZN as the member of international and European organizations for standardization and ensure participation of Croatian representatives in their work
- ensure, on the proposal of the Technical Board, the informing of international and European organizations for standardization on the work and results of Croatian standardization
- propose to the Administrative Board the members of the delegation of the Republic of Croatia to general assemblies of international and European organizations for standardization
- propose to the Administrative Board participation in the work of other management bodies of international and European organizations for standardization and propose representatives of the Republic of Croatia
- propose to the Administrative Board the representatives of the Republic of Croatia for the work in technical bodies of international and European organizations for standardization on the proposal of the Technical Board
- propose to the Administrative Board the type and manner of cooperation with the central government bodies, particularly on the issues related to the implementation of technical legislation
- propose to the Administrative Board the appointment and relieving of duty of the Deputy Director General and Assistant Directors-General
- conclude contracts of employment with workers of HZN and decide on all rights and obligations deriving from labour relations and in connection with labour relations
- grant authority to sign
- ensure the openness of HZN's work to the public, the informing of the public on its activity and the publication of its internal regulations
- perform other activities in accordance with the Law, the Decree, this Statute, other internal regulations of HZN and other regulations.

Article 39

In organizing and managing the work of HZN, the Director General is authorized to issue orders, instructions and guidelines for work to the Deputy Director General and Assistant Directors-General.

Article 40

The Director General may establish commissions for performing certain tasks or preparing proposals for solving certain issues.

Article 41

The Director General of HZN may authorize another person for representing HZN in legal transactions.

The Director General may grant the authority only within his/her own authorities in accordance with the provisions of commercial law.

Article 42

If the Director General of HZN assesses that the Administrative Board of HZN has adopted or intends to adopt an internal regulation or document contrary to the Law, the Decree, another regulation or this Statute, he/she shall warn the Administrative Board thereabout in writing.

If the Administrative Board stands by its internal regulation/document, the Director General shall inform the ministry competent for science thereof in writing.

Article 43

The Director General shall not, without a special authority by the Administrative Board, act as a counterparty and conclude contracts with HZN on his/her behalf and for his/her own account, on his/her behalf and for the account of other persons or on behalf and for the account of other persons.

Article 44

The Government of the Republic of Croatia may, on a written and argued proposal by the minister competent for science, relieve the Director General of HZN of duty before the expiry of the term he/she has been appointed to, in accordance with the provisions of the Law on Public Institutions.

Article 45

Duties of the Director General in case of his/her absence or other commitments, as well as other tasks in accordance with the authorities of the Director General of HZN, shall be performed by the Deputy Director General.

The Deputy Director General shall be appointed from among the Assistant Directors-General.

The Deputy Director General shall be appointed to a four-year term. He/she may be reappointed as the Deputy Director General.

The Deputy Director General shall be employed at HZN, where he/she shall exercise his/her rights and obligations deriving from labour relations, unless otherwise prescribed by law.

Mutual rights and obligations of the Deputy Director General and HZN shall be regulated by a contract of employment to be concluded on behalf of HZN by the Director General of HZN.

The Deputy Director General shall report to the Director General of HZN, the Administrative Board, the ministry competent for science and the Government of the Republic of Croatia.

Article 46

Prerequisites for being appointed as the Deputy Director General of HZN are as stipulated by Article 35 hereof.

Article 47

The Administrative Board of HZN may relieve the Deputy Director General of HZN of duty under the terms and conditions and in the manner prescribed by Article 44 hereof.

Article 48

The Director General of HZN shall have his/her Assistant Directors-General.

Assistant Directors-General shall be appointed from among senior counsellors at HZN. Assistant Directors-General shall be appointed to a four-year term.

Assistant Directors-General may be reappointed as Assistant Directors-General.

Assistant Directors-General shall be employed at HZN, where they shall exercise their rights and obligations deriving from labour relations, unless otherwise prescribed by law.

Mutual rights and obligations of Assistant Directors-General and HZN shall be regulated by a contract of employment to be concluded on behalf of HZN by the Director General.

Article 49

The Assistant Director General shall organize, manage and control the activities of the department he/she is in charge of and shall provide expert assistance to the Director General in the activities from his/her scope.

The Assistant Director General shall submit proposals and opinions to the Director General on the need for the professional training of skilled workers.

The Assistant Director General shall report to the Director General, his/her Deputy, the Administrative Board, the ministry competent for science and the Government of the Republic of Croatia.

Article 50

Prerequisites for being appointed as the Assistant Director General are as stipulated by Article 35 hereof.

Article 51

The Administrative Board of HZN may relieve the Assistant Director General of duty under the terms and conditions and in the manner prescribed in Article 44 hereof.

4. STANDARDS COUNCIL

Article 52

The Standards Council is an advisory body of the Administrative Board of HZN.

The Standards Council ensures equal representation of all stakeholders in Croatian standardization in advising the Administrative Board of HZN.

Members of the Standards Council are as follows:

- 10 to 15 representatives of HZN members proposed by the Expert Council from among manufacturers, service providers, testing and calibration laboratories
- 5 to 10 representatives of central government bodies adopting technical regulations
- 3 to 5 representatives of scientific and educational institutions
- 3 to 5 representatives of professional associations

- 3 representatives of business associations
- 1 representative of the national accreditation body
- 1 representative of consumer associations
- chairmen of the programming committees.

Members of the Standards Council shall be appointed to a four-year term. The Standards Council shall elect its chairman from among its members by a simple majority vote at its first assembly.

The Standards Council shall perform tasks from its scope at its assemblies to be held as needed, but at least twice a year.

Article 53

The Standards Council performs the following tasks:

- considers the issues of HZN's business policy and gives proposals
- considers the development plan of HZN and gives proposals for its improvement
- considers the rules of Croatian standardization process and gives proposals for their improvement
- considers the issues related to HZN membership in international and European organizations for standardization and gives proposals
- considers other issues relevant to Croatian standardization and gives proposals.

5. TECHNICAL BOARD

Article 54

Members of the Technical Board are the Assistant Director General for Standardization and the managers of standardization sectors.

The Technical Board shall be headed by its Head. The Head of the Technical Board shall be the Assistant Director General for Standardization.

The Technical Board shall perform the following tasks:

- adopt its Rules of Procedure
- discuss and give proposals to the Director General and the Administrative Board of HZN on technical issues related to the Croatian standardization process
- propose to the Director General the establishment of programming and technical committees, as well as their respective scopes of work
- assign individual standardization projects to the existing technical committees and propose the establishment of the new ones
- propose to the Director General the hiring of external consultants for preparing proposals for adopting Croatian standards in the sectors where the establishing of a technical committee is unfounded
- on the proposal of technical committees and external consultants, propose to the Director General the preparation, amending and withdrawal of Croatian standards
- twice a year propose to the Director General standardization work programmes with a list of all standardization projects, which shall be publicly available documents
- propose to the Director General participation of representatives of the Republic of Croatia in the work in technical bodies of international and European organizations for standardization
- gives to the Director General proposals and opinions on other issues related to professional work.

The Technical Board shall meet as needed, but at least once a month.

The Director General of HZN shall participate in the work of the Technical Board if needed.

6. PROGRAMMING COMMITTEES OF THE CROATIAN STANDARDS INSTITUTE

Article 55

Programming committees shall be established for the needs of defining a standardization policy in a particular sector.

Programming committees correlate interests of various stakeholders in the standardization of a particular sector and establish priorities in its standardization.

Work in programming committees is voluntary.

Rules for the establishment and work of programming committees shall be established by an internal regulation adopted by the Administrative Board.

7. TECHNICAL COMMITTEES

Article 56

Technical committees shall be established for Croatian standardization activities and attending the international and European standardization processes in particular sectors of standardization.

Technical committees may establish subcommittees and working groups for tasks in a specific field of standardization.

Work in technical committees is voluntary.

Rules for the establishment and work of technical committees shall be established by an internal regulation adopted by the Administrative Board.

Board of Directors of the Croatian Standards Institute

Article 57

Members of the Board of Directors of HZN are the Director General, the Deputy Director General and Assistant Directors-General.

The Board of Directors shall discuss and decide on specialized issues of HZN's work and submit proposals and opinions to the Administrative Board in relation to work organization, conditions for the development of activity and other tasks defined by the Law.

The Board of Directors may work in its extended composition, with heads of departments.

Other skilled persons, as well as certain experts and other persons defined by the Director General, may be invited to the session of the Board of Directors.

The Board of Directors shall meet at least once a week. Its mode of working shall be regulated by its Rules of Procedure.

Internal Control Commission

Article 58

An Internal Control Commission shall be established within HZN for the purpose of controlling the work of HZN's departments and workers.

Members of the Commission shall be appointed by the Director General from among HZN's workers. Its mode of working shall be regulated by an internal regulation.

Workers

Article 59

Technical tasks in HZN shall be carried out by staff associates, advisers and senior advisers selected on the basis of a public announcement of vacancies.

Eligible for a staff associate, adviser or senior adviser shall be a person with appropriate university qualifications according to the internal regulation on the internal organization and job classification, who has the knowledge of at least one foreign language and a basic computer literacy.

VIII. FUNDING AND OPERATIONS

Article 60

The Financial Plan may be altered in the course of the year

- if revenues are not earned as planned
- if expenditure is increased
- if funds are allocated otherwise.

Article 61

HZN shall prepare periodical financial statements and the annual statement for a calendar year.

Article 62

For its regular operations HZN has a giro-account.

IX. ASSETS OF THE CROATIAN STANDARDS INSTITUTE

Article 63

Assets of HZN shall consist of current assets from the government budget, receipts from membership fees, receipts from the sale of standards, receipts from the provision of services, real property and movable property taken over from the State Office for Metrology and assets received from other sources in accordance with the Law, this Statute and other regulations.

HZN shall obtain its assets from the budget of the Republic of Croatia on the basis of its approved annual work programme which is to comprise all planned operations of HZN.

After the adoption of the government budget, the work programme referred to in paragraph 2 of this Article may, if necessary, be adjusted to the level of assets for the year.

Article 64

HZN shall be liable for its liabilities with all its assets. The Republic of Croatia shall have joint and several and unlimited liability for HZN's liabilities.

Article 65

HZN does not operate for the purpose of earning profit. If HZN earns a profit from its operations, this profit shall be utilized exclusively for performing and improving HZN's operations.

If HZN reports a loss in its operations, a decision on the manner of covering this loss shall be adopted by the Government of the Republic of Croatia.

X. OPENNESS TO THE PUBLIC

Article 66

The work of HZN shall be open to the public.

Details of HZN's work shall be available to the public via electronic media and announced in the official bulletin of HZN and other publications of HZN.

The openness of HZN's work to the public shall also be ensured by the availability of details of HZN's work in mass media.

The Director General or the person authorized by the Director General by written authorization shall be responsible for informing mass media of HZN's work and operations.

HZN shall withhold information or insight into documentation, respectively, from mass media if it contains data which represent a secret pursuant to a separate law, this Statute and other internal regulations.

XI. INTERNAL REGULATIONS

Article 67

Internal regulations of HZN are as follows: Statute, rules of procedure, regulations and other internal regulations regulating individual issues related to HZN's activity, as well as decisions on issues relevant to HZN's work.

Internal regulations shall be announced on a bulletin board and shall enter into force on the eighth day from the day of their announcement.

Article 68

The basic internal regulation is the Statute.

The Statute is adopted by the Administrative Board and approved by the Government of the Republic of Croatia.

The Statute shall be published in the »Official Gazette«.

XII. CONFIDENTIALITY OF DATA

Article 69

Data defined as business secret by law or other regulations, as well as the data for which it would be contrary to the work of HZN or jeopardize its reputation to communicate them or make them available to unauthorized persons, shall be considered as business secret.

Article 70

The following is considered as business secret:

- data defined by the Director General as business secret
- data communicated to HZN by the competent central government authority as confidential
- measures and procedures in case of extraordinary circumstances
- data related to the defence of the Republic of Croatia
- plan of physical security of facilities and property of HZN
- other data the disclosing of which to an unauthorized person would be contrary to the interests of HZN, its founder or other governmental bodies.

Data that represent business secret may be disclosed to other persons by the Director General and persons authorized by the Director General by written authorization, with prior warning about the confidentiality of the data.

Violation of the obligation to keep a business secret shall constitute a gross violation of duty.

The Director General shall control the keeping of business secrets.

Data considered as business secret and the level of secrecy shall be determined by a business secret regulation.

Article 71

Data on personal or family life of workers and other persons, of which the workers of HZN become aware in performing their job duties or of which the members of the Administrative Board or other bodies of HZN become aware and the unauthorized disclosing of which might harm the interests of the person to whom the data relate or the members of his/her family shall be considered as professional secret.

Data on natural persons stored in the information system of HZN and other data defined by an internal regulation of HZN shall also be considered as professional secret.

Data considered as professional secret may be disclosed to third persons by the Director General of HZN or a person authorized by the Director General by written authorization, under the terms and conditions defined by law.

Violation of the obligation to keep a professional secret shall constitute a gross violation of duty.

The Director General shall control the keeping of professional secrets.

XIII. TRANSITIONAL AND FINAL PROVISIONS

Article 72

Internal regulations of HZN shall be adopted within 90 days from the entry into force hereof.

Article 73

As from the day of the start of its operation HZN shall take over the activities of the State Office for Metrology related to standardization, tangible assets and equipment intended for performing the activities related to standardization in accordance with the Divisional Study referred to in Article 20 of the Decree, as well as the civil servants and employees of the Standardization Department of the State Office for Metrology.

Article 74

This Statute shall be adopted with the approval of the Government of the Republic of Croatia and published in the »Official Gazette« and shall enter into force on the eighth day from the day of its announcement on the bulletin board of HZN.

Chairman of the Administrative Board
Erik Mohorović, M.Sc.

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At Zagreb, on 14 June 2005