



METADATA/QUALITY REPORTING

ESSPROS EARLY ESTIMATES

MEMBER STATE: Croatia
REFERENCE YEAR: 2022
REPORT ISSUED: October 2023

1. Accuracy and Reliability / Geographical coverage

1.1 Coverage of data sources*- (part 1)

Name of data source	Type of data source used ⁽¹⁾	Frequency of the data source in months⁽²⁾	Time lag in months⁽³⁾	Schemes/benefits covered <i>(please indicate which scheme numbers and/or which benefits or group of benefits are covered by this data source)</i>
1) Data on ESSPROS receipts and expenditure provided by the reporting units in ESSPROS Quantitative questionnaire	Survey	12 months	5-6 months	Schemes 1, 2, 3, 4, 5, 6, 9, 11, 12, 13, 14 and 15
2) Annual Report, Agency for Securing Workers' Claims	Administrative data	12 months	3 months	Scheme 1
3) Data on disability pension beneficiaries above legal retirement age delivered by Croatian Institute for Pension Insurance	Administrative data	12 months	5 months	Scheme 2
4) Yearbook, Croatian Institute for Health Insurance	Administrative data	12 months	2 months	Data source for scheme 10, but also used for the verification of data from schemes 3, 4 and 13
5) Report on liabilities of budget beneficiaries, collected by Ministry of Finance	Administrative data	12 months	4-5 months	Scheme 3
6) System of Health Accounts data, collected by Croatian	Administrative data	12 months	18 months (data for year prior to	Scheme 3

Institute of Public Health			reference year, used for estimation)	
7) Annual statistical reports, Ministry of Labour, Pension System, Family and Social Policy	Administrative data	12 months	9-10 months (not used for early estimates data collection for 2022)	Schemes 6 and 8
8) Report on Income, Income Tax and Surtax as well as Contributions for Mandatory Insurances, collected by Ministry of Finance, Tax Administration	Administrative data	1 month, but data is collected on annual basis	3-4 months	Scheme 10
9) Implementation of the State Budget (Ministry of Finance)	Administrative data	12 months	6-7 months	Data source for schemes 6, 9, 12, 16, 17 and 18 (new scheme), but also used for verification of data in schemes 5, 6, 12, 14 and 15
10) Annual Report on the Implementation of Budget of the City of Zagreb	Administrative data	12 months	6 months	Schemes 7 and 9
11) First Release of the Croatian CBS, No. 9.1.2/12., Average Monthly Net and Gross Earnings of Persons in Paid Employment for December	Survey	12 months, First release with average gross earnings is published on a monthly basis, but the data used for the compilation of ESSPROS statistics is published just in December First release.	2 months	Scheme 10
12) Budget reports published by local and regional self-government units	Administrative data	12 months	5-9 months	Schemes 7, 16 and 17
13) Budget expenditure of local	Administrative data	12 months	4-5 months	Scheme 16

and regional self-government units by COFOG functions (Ministry of Finance data), Ministry of Finance				
14) Report on revenue and expense, receipts and expenditure of budget beneficiaries, collected by Ministry of Finance	Administrative data	12 months	4-5 months	Schemes 6 and 16
15) Report on revenue and expenditure of non-profit institutions, collected by Ministry of Finance and Financial Agency	Administrative data	12 months	4-5 months	Schemes 12 and 17
16) Information on European Structural and Investment Funds spending (official web page: https://strukturnifondovi.hr/)	Administrative data	No regular frequency	Decisions on granting the funds are regularly updated with very short period of time lag	Schemes 16 and 17
17) Information on additional financing of health care institutions, delivered by the Croatian Institute for Health Insurance	Administrative data	12 months	5 months	Scheme 3
18) Annual Report, Ministry of Science and Education	Administrative data	12 months	3 months	Scheme 6
19) Pension beneficiaries and insured persons database, Croatian Institute for Pension Insurance	Administrative data	1 month	2 months	Scheme 10

* Please be exhaustive by mentioning all schemes.

1. Please specify: "Administrative data", "Register based data", "National Accounts", "Survey", "Census", "Other". For category "Other", please specify the type.

2. Please specify: "3 months", "6 months", or "12 months" or etc.

3. The time lag is the period between reference year (31st of December of reference year) and the moment in which data sources are available.

1.1 Coverage of data sources (part 2) – please note that part 1 and part 2 is in fact one table and have only been separated to facilitate the completion of the table

Name of data source <i>(Please indicate the same data sources as in table 1.1 part 1)</i>	Overall accuracy⁴	Geographical coverage (i.e. which parts of the country are covered by this data source)⁽⁵⁾
1) Data on ESSPROS receipts and expenditure provided by the reporting units in ESSPROS Quantitative questionnaire	<p>In most cases, data provided by the reporting units is already recorded according to ESSPROS functions and items. In some cases, additional processing of data must be applied so that the output is in line with the ESSPROS methodology. This is mostly related to data breakdown between ESSPROS functions and items, which is estimated from the information found in other data sources, which are also listed in this report. Cases when breakdown cannot be made because there is no available information to estimate separate ESSPROS items are listed in the Quality report of ESSPROS Core System, table 1.3 Geographical comparability.</p> <p>Periodic cash benefits for persons with disability are recorded entirely in the Disability function (except for disability pensions which are partly recorded in the Old-age function in line with ESSPROS methodology). Except for the benefits in Disability function, other cases where proper breakdowns were not reported, do not represent financially significant amounts, as compared with schemes total or functions total.</p>	Full coverage (the Republic of Croatia)
2) Annual Report, Agency for Securing Workers' Claims		Full coverage (the Republic of Croatia)

<p>3) Data on disability pension beneficiaries above legal retirement age delivered by Croatian Institute for Pension Insurance</p>	<p>Data on the number of disability pension beneficiaries above legal retirement age by gender and by age groups and average amounts of disability pensions for each age group is delivered by the reporting unit in excel format for December of each reference year. Annual amount of disability pensions paid to the beneficiaries above legal retirement age is estimated on the basis of the data for December and added to old-age pensions, in line with the ESSPROS methodology. Data used for calculation is sorted by gender, age groups in ranges of 5 years (beneficiaries between 60 and 64 years, 65 and 69, etc.) and average disability pensions for each age group. Breakdown by gender is necessary because different retirement age applies for men and different for women. Retirement age for women is constantly increasing for 3 months each year, so in the future the retirement age will be the same for men and women. In reference year, retirement age was 65 years for men and 63 years for women, but the estimated amount also included pensions of women above 60 years of age because this is the only available breakdown of data. Average amount of pension for each age group is multiplied with the number of beneficiaries to estimate the amount of pensions paid to each age group. This data source is available just for December of each year. Therefore, number of beneficiaries and amounts of pensions used in calculation correspond to average between December of reference year and year prior.</p>	<p>Full coverage (the Republic of Croatia)</p>
<p>4) Yearbook, Croatian Institute for Health Insurance</p>	<p>Source is used for the estimation of the amount of sick leave paid by the employers, for which there is no available data source. Estimation is based on a number of days spent on the sick leave (published in this yearbook) and the average gross salary in the legal</p>	<p>Full coverage (the Republic of Croatia)</p>

	<p>entities of the Republic of Croatia (published by Croatian Bureau of Statistics). Average gross hourly rate for an employed person was decreased by the average reduction rate of salary for sick leave. This rate is also an estimation because every employer prescribes it independently, while Compulsory Health Insurance Act only prescribes the maximum reduction rate of 30% (for the purpose of estimation, proxy reduction rate was set at 20%). Reduced gross hourly rate was then multiplied with the total number of hours spent on the sick leave paid by the employer.</p>	
<p>5) Report on liabilities of budget beneficiaries, collected by Ministry of Finance</p>	<p>Source is used as one of the inputs for the estimation of debt accumulated by hospitals, that is also included in the expenditure for health care in scheme 3. This financial report contains data on arrears owed by health institutions. Difference in arrears between the end and beginning of the reference year is calculated and added (if greater than zero) to the expenditure for in-patient and out-patient care. In this way, data corresponds more to accrual principle and it is adjusted with System of Health Accounts data. Arrears mostly include amounts owed by hospitals to wholesale pharmacies for medicaments and other medicine material used for health care provided in hospitals (both in-patient and out-patient departments). Breakdown between in-patient and out-patient care is estimated according to SHA data from previous reference year (SHA data for reference year is not available in time). SHA data also includes calculation of debt, but sorted between in-patient and out-patient SHA functions.</p>	<p>Full coverage (the Republic of Croatia)</p>
<p>6) System of Health Accounts data, collected by Croatian Institute of Public Health</p>	<p>Source is used for data collection of: -health protection expenditure financed by government ministries and local/regional self-government units,</p>	<p>Full coverage (the Republic of Croatia)</p>

	<p>-breakdown on in-patient and out-patient care in the amount of debt accumulated by health institutions</p> <p>Data source is not available on time for the reference year data collection. It is used for the revision of previous year data of health protection expenditure financed by government ministries and local/regional self-government units, as well as for making proxy estimations of the same expenditure in the reference year. Although this amount is not significant in relation with scheme's total receipts and expenditure, estimations can vary from the actual data and it is necessary to enhance the estimation method.</p>	
<p>7) Annual statistical reports, Ministry of Labour, Pension System, Family and Social Policy</p>	<p>The data in the ESSPROS questionnaire delivered by the reporting unit (source under point 1.) for the scheme 6 are presented more detailed than in annual reports. Beside financial data, annual reports contain number of beneficiaries for each benefit, and it is used for the verification of the data in questionnaire delivered by the reporting unit and for the estimations of data breakdown between ESSPROS items in line with ESSPROS methodology.</p> <p>Note: Source is not used for early estimates data collection for 2022 as it is not available yet.</p>	<p>Full coverage (the Republic of Croatia)</p>
<p>8) Report on Income, Income Tax and Surtax as well as Contributions for Mandatory Insurances, collected by Ministry of Finance, Tax Administration</p>	<p>Database derived from this report is used for the estimation of social benefits (except sick leave), paid by the employers to their employees. All persons or entities that are the payers of income for which the income tax regulations prescribe the obligation of accounting and paying deduction tax are under the obligation to submit the report. Report contains gross and net amounts of social benefits, taxes and social contributions and other useful information. As two or sometimes more social benefits are recorded in just</p>	<p>Full coverage (the Republic of Croatia)</p>

	<p>one item in the report, the estimation of breakdown between benefits corresponding to different ESSPROS functions/items was necessary. Criteria for distinction between different ESSPROS items included in just one item of the report is the maximum non-taxable amount of benefit (also reported in this data source) prescribed by law. Issues arise if the non-taxable amount is the same for more benefits and when the paid benefit is lower than non-taxable amount (then this lower amount is reported in non-taxable item of the report which also causes difficulties for distinction of benefits). In the case of lump-sum benefits in Sickness/Health care and Disability function which are reported in the same item, non-taxable amounts are the same, and the approximate breakdown of the amount for these two benefits was recorded in each ESSPROS function because there is no available information to make more precise breakdown. Methods to enhance the data quality are regularly investigated. Redundancy compensations in the Unemployment function (paid due to situation in the labour market) include also those paid due to injuries in the place of work or professional disease, because there is no information to make proper breakdown.</p>	
9) Implementation of the State Budget (Ministry of Finance)		Full coverage (the Republic of Croatia)
10) Annual Report on the Implementation of Budget of the City of Zagreb		City of Zagreb
11) First Release of the Croatian CBS, No. 9.1.2/12., Average Monthly Net and Gross Earnings of Persons in Paid Employment for December	Average gross salary used for the estimation of salary compensation paid during sick leave in scheme 10 (sick leave paid by employers) is published in this First release. For details please see source under point 4.	Full coverage (the Republic of Croatia)
12) Budget reports published by local and	For housing benefits on local level, there is no	Just certain number of regional/local units

regional self-government units	adequate breakdown between Housing and Social exclusion functions (that is, rent and utilities benefits) in this data source. To apply the breakdown, data from reference year 2020 were used, when these benefits were reported by the local units in a separate database developed by the competent government ministry. Current data for this breakdown are not available, and it is necessary to find new data sources for rent benefits.	
13) Budget expenditure of local and regional self-government units by COFOG functions (Ministry of Finance data), Ministry of Finance	This is the main data source for the estimation of scheme 16 expenditure (social protection on local level). Main difficulties related to processing the ESSPROS data from this source are: -exclusion of capital expenses that are included in COFOG, -detection of home help service which is collected from other sources but also included here, -inconsistent recording of social benefits from year to year by local units, -recording the majority of benefits by local units in COFOG functions 107 and 109, -estimation is done by calculating the shares of expenditure of reference year in relation with previous year for the majority of ESSPROS functions (Housing function is processed from other sources, while proxy amounts were recorded for the Survivors' and Unemployment functions which are not significant in this scheme), and multiplied with the total amounts of ESSPROS Core System data in previous year. Base year on which the shares are applied is 2020, when these benefits were reported by the local units in a separate database developed by the competent government ministry. Current data are not available, and it is necessary to find new data sources for this	Full coverage (all local and regional self-government units in the Republic of Croatia)

	<p>scheme.</p> <p>Problems are mitigated by taking in regard just a certain number of local units that record their expenditure consistently and with minor oscillations from year to year. But this method excludes local units with higher oscillations that have recorded their expenditure properly.</p> <p>Methods to enhance the data quality or finding new data sources are regularly investigated.</p>	
14) Report on revenue and expense, receipts and expenditure of budget beneficiaries, collected by Ministry of Finance	<p>Report is primarily used for the collection of data on financing the kindergartens, social welfare homes, centers for home help and other budget beneficiaries of local/regional units, recorded in scheme 16. Report contains breakdown of receipts and expenditure of social institutions by type. Part of the expenditure of social welfare homes for elderly corresponds to home help service, which has to be singled out and recorded separately. To apply the breakdown, data from reference year 2020 were used, when these benefits were reported by the local units in a separate database developed by the competent government ministry. Current data are not available, and it is necessary to find new data sources for collection of expenditure on home help service. Also, recording of amounts paid for home help service and payments for the price of accommodation service are not reported identically in items of this financial report, which provides difficulties and increases the time needed for processing of data for this scheme.</p>	Full coverage (the Republic of Croatia)
15) Report on revenue and expenditure of non-profit institutions, collected by Ministry of Finance and Financial Agency	<p>Report is used for the estimation of the amount of the social protection provided by non-profit institutions. Report contains breakdown of receipts and expenditure of non-profit institutions by type and</p>	Full coverage (the Republic of Croatia)

	<p>breakdown by NACE activity, but not by ESSPROS functions. Therefore, it was necessary to group the non-profit institutions by ESSPROS functions and items.</p> <p>Main difficulties related to processing the ESSPROS data from this source are:</p> <ul style="list-style-type: none"> -certain number of non-profit institutions included in the scheme 17 that provide accommodation service are also financed by central government and this amount is recorded in scheme 6. To avoid double counting, part of expenditure of those NPISH corresponding to government receipts had to be detected and removed from the scheme 17. As the accounting structure of the report doesn't provide enough details, certain amount of scheme expenditure, financed by the central government, which doesn't represent double counting is also removed to avoid double counting (amount concerning the financing that is not related to the accommodation service), -data source doesn't make distinction between donations provided by NPISH to households and those provided to other NPISH, and there was a need to estimate and exclude donations intended for other NPISH to avoid double counting (detailed analysis of these expenditure was done for year 2021, while for reference year shares of expenditure that has to be excluded were applied to total), -Caritas and Red Cross organizations provide social services that correspond to more ESSPROS functions. Majority of their expenditure is recorded in the Social exclusion function, while social services corresponding to other functions (home help service for example) are estimated and recorded in belonging 	
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	<p>functions. Estimation is based on 2020 data, when these benefits were reported by the local units in a separate database developed by the competent government ministry. Current data are not available, and it is necessary to find new data sources for the collection of this expenditure.</p> <p>-some social services provided by non-profit institutions are not always recorded in proper item of the report on the receipt side, so more detailed analysis of the amounts in report items is needed to enhance the data quality.</p> <p>These issues affect the estimation process, which can result with slight variations from actual data and increase the time needed for processing of data for this scheme. Methods to enhance the data quality are regularly investigated.</p>	
16) Information on European Structural and Investment Funds spending (official web page: https://strukturnifondovi.hr/)	EU funds that are used for financing of home help service (1132202) in schemes 16 and 17, are collected from this source. Funds are usually granted for period that spreads on more reference years, so amounts of financing had to be split to record accrual data. Such calculation can vary from the actual data.	Full coverage (the Republic of Croatia)
17) Information on additional financing of health care institutions, delivered by the Croatian Institute for Health Insurance	This data source is also used for the estimation of debt owed by health institutions (combined with source under point 5). Data includes the amount of government transfer paid for financial recovery of health institutions. The amount has to be broken down on debt generated in reference year and year prior. Amount for the year prior to reference is estimated from source under point 5, and the rest of the amount is added to health care expenditure in the reference year. In this way the data corresponds more to accrual accounting principle, as requested by the ESSPROS	Full coverage (the Republic of Croatia)

	methodology. There is no information on the exact structure of financial recovery transfer regarding the breakdown of amount between reference year and year prior. Estimation presumption is that the amount of financial recovery data covers the debt generated in reference year and year prior. Discrepancies from actual data are possible.	
18) Annual Report, Ministry of Science and Education		Full coverage (the Republic of Croatia)
19) Pension beneficiaries and insured persons database, Croatian Institute for Pension Insurance		Full coverage (the Republic of Croatia)

4. Please fill in this column only in cases of inaccuracies in the source for the purpose of deriving an early estimate: delays, data source containing estimations, incomplete coverage for some schemes and other possible problems or errors. Give a brief description of the main sources of inaccuracies.

5. Please indicate "Full coverage" if the data source covers the whole country. If the data source contains data for some regions only, please specify the region.

2. Changes in the calculation of early estimates (In the first column, please indicate the scheme and/or the benefit(s) involved, then describe in the other columns each change in comparison with previous year estimates with a few words.)

Scheme/Benefit (or group of benefits)	Details on the change			
	Changes in the data sources used ⁽⁶⁾	Changes in the methods used for estimating data ⁽⁷⁾	Changes due to conceptual adjustments ⁽⁸⁾	Other
Scheme 10 / items 1131121 and 1161122	Additional information supplied			

	by new data sources enhanced the quality of the estimation of breakdown between redundancy compensation for the retirement and the one paid for the situation in labour market (main data source provides just partial breakdown).			
Scheme 6 / items 1131201 and 1151202				Foster parent benefit is now assorted on Old age and Family/Children functions. Partial amounts were estimated by taking into account the number of beneficiaries and single amounts of benefits. In previous data collections the whole amount of this benefit has been recorded in the Family /Children function.

6. E.g. changes in the set of the data sources (new data sources, disappearing of an old one); additional information supplied by certain data sources; other changes in data sources.

7. E.g. changes in the methods used, revised methods to put the information supplied by data sources in line with the ESSPROS methodology or other changes in methods.

8. E.g. changes in the ESSPROS methodology; in the social protection system; in classifications or definitions other than ESSPROS; etc.

3. Other information related to Quality

3.1 Links with national accounts

Please specify checks/corrections to the data from national accounts to take into account conceptual differences between ESSPROS and national accounts when calculating early estimates.

National accounts data are not used in the collection of early estimates.

3.2 Other relevant information on quality of the early estimates

Please specify any issues that could potentially affect the quality of the early estimates.

For reference year 2022, a new ESSPROS scheme was created (scheme 18), that includes assistance in a case of natural disasters (earthquake). In line with ESSPROS Expert group document “Assistance in case of natural disasters” (which provides methodological treatment of such transfers), scheme also includes capital amounts recorded in the Social exclusion function. Capital amounts include assistance to households and individuals that have suffered certain damage to their dwellings. Such expenditure mainly corresponds to rebuilding or restoring of dwellings. Capital costs amount around 15% of the total for the Social exclusion function on all schemes level. Consequently, expenditure of the Social exclusion function increased by 30% as compared to the previous year (Core System data), while the share of Social exclusion function in total social benefits slightly increased from 1,7% in 2021 (Core System data) to 2,0% in 2022.

4. Dissemination

Are these estimates published in your country?⁽⁹⁾	At what timeliness? (in months)⁽¹⁰⁾	State any specific publication (and possibly the link)	Are they part of regular publications? (yes or not)
No			

9. Please specify "yes everything", "yes, only the following part...", "yes, but not in the ESSPROS format" or no". In case of "yes, but not in the ESSPROS format", please explain.

10. Please specify how many months after the period of reference the data are published (the period of reference for this collection was 31st December of reference year).