



EUROPEAN COMMISSION
EUROSTAT

Directorate C: Macro-economic statistics
Unit C-4: Price statistics. Purchasing Power Parities. Housing statistics

HICP Compliance Monitoring

Follow-up report

Croatia

August 2018

Date of visit

- March 2015

CM report published

- July 2015

Date of follow-up information

- August 2017

1. Recommendations and the progress made by the NSI

- **The assumption that price changes are approximately the same in rural areas as in urban areas should be verified.**

This recommendation has been followed up. The assumption has been verified by price collectors and retailers.

- **The assumption that changes in actual rentals are approximately the same for existing contracts as for new contracts should be justified, or existing contracts should be included to the sample, as well.**

This recommendation has not yet been followed up. Eurostat encourages Croatia to further investigate the possibilities of using the tax database or carry out further research into alternative data sources.

- **The assumption that airfares collected 6 and 4 weeks ahead of traveling is sufficiently representative should be verified periodically.**
- **The assumption that airfares are not volatile within the month should be verified periodically.**

These recommendations have been followed up. The representativity of the sample is verified with airline companies on a regular basis. Since beginning of 2018, the price collection periods have been further extended.

- **To develop and broaden the explicit use of consumption segments.**

Work on this recommendation started in 2015. Since then, consumption segments have been defined for a number of product groups such as clothing and footwear, pharmaceutical products, accommodation services and restaurants. Eurostat welcomes the achievements made in this field and encourages Croatia to continue with the definition of consumption segments for further product groups.

- **To develop and implement the consumer profile method for wireless telephone services and internet access.**

This recommendation has been followed up. Consumer profiles have been defined and used for the sample since 2016.

- **Elementary aggregates containing more than one product should be reviewed to ensure they consist of products that are homogeneous and with similar price movements.**

This recommendation has been followed up. Elementary aggregates containing more than one product have been reviewed in detail and 66 new aggregates have been introduced.

2. Additional measures to improve the quality of the Croatian HICP

Croatia has implemented electronic devices for price collection and started preparatory work on web scraping techniques and scanner data.

3. Conclusion

Croatia has made good progress on the implementation of measures increasing the relevance and reliability of the Croatian HICP. Eurostat encourages Croatia to follow this path and implement further measures in the near future.