



QUALITY REPORT FOR STATISTICAL SURVEY Regional Gross domestic product (GDP) for 2022

Organisation unit: National Accounts Aggregates Department

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0. Basic information

· Purpose, goal, and subject of the survey

Regional accounts are a subsystem of national accounts in which the Republic of Croatia, units according to the HR NUTS_2021. - HR NUTS 2 and at the level of counties, are the main objects of observation. The concepts used in the regional accounts are the same as those used in the national accounts. GDP at market prices is the sum of values added by activities, including items at the level of the national economy that are not classified by activities, such as taxes on products less subsidies on products.

Reference period

Calendar year

Legal acts and other agreements

Legal basis of the European Union

Regulation (EU) 2023/734 of the European Parliament and of the Council of 15 March 2023 amending Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union and repealing 11 legal acts in the field of national accounts OJ L 97, 5.4.2023. Regulation (EU) 2019/516 of the European Parliament and of the Council of 19 March 2019 on the harmonisation of gross national income at market prices and repealing Council Directive 89/130/EEC, Euratom and Council Regulation (EC, Euratom) No 1287/2003 (GNI Regulation) OJ L 91, 29.3.2019 Commission Delegated Regulation (EU) 2015/1342 of 22 April 2015 amending the methodology for the classification of products by activity given in Annex A to Regulation (EU) No 549/2013 of the European Parliament and of the Council OJ L 207, 4.8.2015

Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union OJ L 174, 26.6.2013 Commission Decision of 30 November 1998 clarifying Annex a to Council Regulation (EC) No 2223/96 on the European system of national and regional accounts in the Community as concerns the principles for measuring prices and volumes (notified under document number C(1998) 3685) OJ L 340, 16.12.1998

Commission Decision of 17 December 2002 further clarifying Annex A to Council Regulation (EC) No 2223/96 as concerns the principles for measuring prices and volumes in national accounts (notified under document number C(2002) 5054) OJ L 347, 20.12.2002

Commission Implementing Decision of 26 June 2014 on granting derogations to Member States with respect to the transmission of statistics pursuant to Regulation (EU) No 549/2013 of the European Parliament and of the Council concerning the European system of national and regional accounts in the European Union (notified under document C(2014) 4164) OJ L 195, 2.7.2014

Commission Regulation (EU) No 715/2010 of 10 August 2010 amending Council Regulation (EC) No 2223/96 as regards adaptations following the revision of the statistical classification of economic activities NACE Revision 2 and the statistical classification of products by activity (CPA) in national accounts OJ L 210, 11.8.2010

Commission Delegated Regulation (EU) 2023/137 of 10 October 2022 amending Regulation (EC) No 1893/2006 of the European Parliament and of the Council establishing the statistical classification of economic activities NACE Revision 2 C/2022/7104 OJ L 19, 20.1.2023

Croatian Laws

The Accounting Act (NN, No. 85/24)

Financial operations and accounting of non-profit organizations Act (NN, Nos 121/14 and 114/22) Decision on the National Classification of Activities 2007 - NKD 2007 (NN, Nos 58/07 and 72/07) Classification of products by activity - KPD 2008 (NN, No. 108/08)

Ordinance on the structure and content of Annual Financial Statements (NN, Nos 95/16 and 144/20) Ordinance on amendments to the Ordinance on the structure and content of Annual Financial Statements (NN, No. 158/23)

Rulebook on the form and content of additional data for statistical and other purposes (NN, Nos 2/17 and 158/23)

Decision on the structure and content of Annual financial Statements of Credit institutions (NN, Nos 42/18, 122/20, 119/21 and 108/22)

Rulebook on the form and content of Financial and additional reports of Insurance Companies and Reinsurance companies (NN, No. 20/23)

Regulations on Budget Accounting and the Chart of Accounts (NN, No. 158/23)

Other international standards

Handbook on Quarterly National Accounts, Eurostat, 2013 Edition System of National Accounts 2008 - 2008 SNA European system of accounts ESA 2010

Understanding National Accounts SECOND EDITION Francois Lequiller, Derek Blades, OECD 2014 Quarterly National Accounts Manual - IMF, 2017 Edition

Classification system

Classification of territorial units for statistics National Classification of Activities 2007

· Statistical concepts and definitions

The Macroeconomics Statistics Directorate follows ESA 2010 methodological guidelines as well as working papers and manuals published by EUROSTAT and other statistical organisations. Certain deviation from the ESA 2010 methodology are still present. For the purpose of consistent application of methodologies, CBS conducts data revisions. In recent years, special attention is also given to the problem of consistent recording of data through different national accounts domains. The main data sources for GDP compilation are the Register of Annual Financial Reports of Enterprises kept by FINA (enterprises, banks and savings banks, insurance companies and other financial institutions), the Annual Report for Budgetary Users, a statistical report for non-profit institutions, annual data of the Tax Administration Agency for non-incorporated units and self-employed persons, statistical surveys, financial statistics and the balance of payments data of the Croatian National Bank, fiscal statistics of the Ministry of Finance and other available data sources. The calculation has been done on the basis of available statistical data according to the National Classification of Economic Activities, 2007 version, at the division level at current and constant prices. Business entities are grouped within activities as institutional units and not as pure kind-of-activity units. GDP have been calculated in USD and in EUR in total and per capita on the basis of the total calculated GDP at current prices, the average annual USD and EUR exchange rate of the Croatian National Bank and the estimated number of the total population. The annual average of the total population was calculated as the average of the situation as on 31 December of the previous year and 31 December of the current year.

Statistical units

Following the ESA 2010 guidelines, in national accounts two types of units and two corresponding ways of subdividing the economy are used: (a) institutional unit; (b) local kind-of-activity unit (local KAU). The first type is used for describing income, expenditure and financial flows as well as balance sheets. The second type of units is used for the description of production processes, for input-output analysis and for regional analysis. An institutional unit is an economic entity characterised by decision-making autonomy in the exercise of its principal function. A resident unit is regarded as constituting an institutional unit in the economic territory where it has its centre of predominant economic interest if it has decision-making autonomy and either keeps a complete set of accounts, or is able to compile a complete set of accounts. A local KAU groups all the parts of an institutional unit in its capacity as producer which are located in a single site or in closely located sites, and which contribute to the

performance of an activity at the class level (four digits) of the NACE Rev. 2. An institutional unit comprises one or more local KAUs; a local KAU belongs to one and only one institutional unit. The Croatian annual GDP has been compiled on the institutional unit level, using mainly administrative data sources. The regional accounts is based on LKAU. Sector accounts are compiled on the institutional unit level.

Statistical population

The national accounts population of a country consists of all resident statistical units (institutional units or local KAUs). A unit is a resident unit of a country when it has a centre of predominant economic interest on the economic territory of that country, that is, when it engages for an extended period (one year or more) in economic activities on this territory. National accounts are exhaustive. This means that all resident statistical units are covered.

1. Relevance

1.1 Data users

Primary users of the national accounts data in Croatia are Ministry of Finance, Ministry of Economy, financial institutions, Croatian National Bank, Croatian Chamber of Commerce, scientific and academic institutions which conduct macroeconomic research as primary activity, newspapers specialised in the field of macroeconomics. International organisation such as IMF and OECD, scientific and academic institutions which conduct macroeconomic research.

1.1.1 User needs

National accounts data provide key information for economic policy monitoring and decision making, for forecasting, for administrative purposes, for informing the general public about economic developments (directly or indirectly via news agencies), and as input for economic research.

1.1.2 User satisfaction

Views and opinions of users of national accounts statistics can be collected and analysed as one of the tools to 'measure' the relevance of national accounts data. Users ask questions and provide suggestions via following mail contacts: for information and user's requests stat.info@dzs.hr and for journalist requests press@dzs.hr

1.2. Completeness

In most countries national accounts cover the domains national accounts main aggregates, government accounts, sector accounts regional accounts and supply and use tables. However, the content of the data on these domains as well as the various breakdowns (by region, sector, industry, product, etc.) may deviate per country, depending on national needs and available sources. The ESA 2010 transmission programme, consisting of 22 tables across all national accounts domains defines the minimum national accounts data set that must be available in all Member States of the EU. The link for derogations within ESA 2010 Transmission Programme is provided below EU law - EUR-Lex.

1.2.1 Data completeness rate

The data completeness rate is: 100%

2. Accuracy and reliability

2.1. Sampling error

Not applicable.

2.1.1 Sampling error indicators

Indicator for this survey is not applicable.

2.2. Non-sampling error

Not applicable.

2.2.1. Coverage error

There is no explicit information about out of scope units, but we assure that number of them is very low. Statistical Business Register continuously checks all relevant administrative source.

2.2.2. Over-coverage rate

Indicator for this survey is not applicable.

2.2.3. Measurement error

Controls are conducted on all relevant data sources and calculations.

2.2.4. Non-response error

Not applicable.

2.2.5. Unit non-response rate

Indicator for this survey is not applicable.

2.2.6. Item non-response rate

Indicator for this survey is not applicable.

2.2.7. Processing error

Not applicable.

2.2.8. Imputation rate

Indicator for this survey is not applicable.

2.2.9. Model assumption error

Not applicable.

2.3. Data revision

2.3.1. Data revision - policy

The users of statistical data are informed about revision (preliminary, final data) on CBS web site.

National accounts data are subject to continuous revisions as new input data become available. They are called routine revisions and entail regular revisions of country data and of the European aggregates, which are derived from the former. More rarely, exceptional revisions (called benchmark revisions) will result from major changes in data sources, classifications or methodology. For example, when changing from ESA95 to ESA 2010, a benchmark revision occurred at country level and at euro area/EU data level. Two Task Forces developed proposals for a more harmonised approach for benchmark and routine revisions. The one under the auspices of the Directors of Macroeconomic Statistics (DMES) dealt with benchmark revision policy, the other under the auspices of the Committee on Monetary, Financial, and Balance of Payments Statistics (CMFB) on the European Harmonised Revision Policy dealing with routine revisions. The users of statistical data are informed about revisions on the website of the Croatian Bureau of Statistics, on the link – General Revision Policy of the CBS.

2.3.2. Data revision - practice

While revisions should be seen as a process to progressively improve the quality of national accounts as e.g. better sources and/or methods become available, the availability of metadata on revisions is a key element for understanding national accounts data and revisions between subsequent releases. Therefore, information on the main reasons for revisions and their nature (new source data available, new methods, etc.) as well as possibly quantitative and qualitative assessment on the average size of revisions and their direction based on historical data is required. In 2015, the revisions are based on many methodological changes. The most significant ones are the capitalisation of research and development expenditures, the capitalisation of military equipment expenditure, the introduction of the change of ownership principle for goods sent abroad for processing, the inclusion of illegal activities, the improvements in the calculation of the non-life insurance, the gross output of the central bank, FISIM, taxes on production, sector classification and the NKD classification.

2.3.3. Data revision – average size

Indicator was not computed for this survey.

2.4. Seasonal adjustment

Not applicable.

3. Timeliness and Punctuality

3.1. Timeliness

National accounts data should become available to users as timely as possible, taking into account the frequency of the data (annual or quarterly), the character of the data (info on the structure of an economy or on conjuncture developments) and an adequate balance between accuracy and timeliness. The ESA 2010 transmission programme defines the required timeliness for all national accounts tables. Quarterly tables should become available between 2 and 3 months after the quarter-end. The annual tables have to be transmitted between 2 months (main aggregates), 24 months (regional accounts) and 36 months (supply and use tables) after the end of the reference year.

3.1.1. Time lag - first results

Time lag - first results is: T + 26

3.1.2. Time lag – final results

Indicator for this survey is not applicable.

3.2. Punctuality

Good practice requires that the dates on which national accounts data become available are preannounced and that the pre-announced publication dates are met. National accounts data in the framework of the ESA 2010 transmission programme should be punctually delivered to Eurostat at the timeliness defined in the transmission programme (or before). Delays in data transmissions might occur due to data resource constraints.

3.2.1. Punctuality – delivery and publication

Delivery and publication is: 1

4. Accessibility and clarity

The CBS always publishes news releases when new compilations are done. The first releases are available on the website. In addition to the news releases, national accounts data are disseminated in: Statistical Information, Croatia in figures and Statistics in line. The regularly updated data versions can be found in the MS Excel form using the link below: NR-2025-2-1 Gross Domestic Product for Republic of Croatia, HR NUTS 2021 - HR NUTS 2 and Counties, 2022 | Državni zavod za statistiku.

4.1. News release

FIRST RELEASE from 11 February 2025, no NR-2052-2-1 GROSS DOMESTIC PRODUCT FOR REPUBLIC OF CROATIA, HR_NUTS 2021. - HR NUTS 2 AND COUNTIES, 2022

4.2. On-line database

Web | Državni zavod za statistiku

4.3. Micro-data access

The conditions under which certain users can have access to microdata are regulated by the Ordinance on conditions and terms of using confidential statistical data for scientific purposes.

4.4. Documentation on methodology

The general methodological framework for the compilation of national accounts in the EU is ESA 2010. In addition, several handbooks have been developed to help compilers to produce national accounts data. Some of the most important methodological manuals are the Handbook on quarterly national accounts, Manual on regional accounts methods, Eurostat Manual of Supply, Use and Input-Output Tables, Manual on Government Deficit and Debt. Also, guidance manuals on specific topics are available, e.g. compilation guide on land estimation, compilation guide on inventories, Manual on measuring Research and Development in ESA 2010. The manuals above specifically apply to EU national accounts statistics. However, world-wide equivalents are also available: SNA 2008, Quarterly National Accounts Manual, Handbook on Input-Output Table Compilation and Analysis, Government Finance Statistics Manual. The CBS national accounts' documentation on sources and methods is available for: Croatian Quarterly National Accounts Inventory Excessive Deficit Procedures Inventory.

5. Comparability over time

5.1. Asymmetry for mirror flows statistics

Mirror statistics between countries is the subject of Eurostat examinations. Over time, this issue has become increasingly important.

5.2. Comparability - over time

As the data for all reference periods are compiled according to the requirements of the ESA 2010, national accounts data are fully comparable over time. Also, in the case of fundamental changes to methods or classifications, revisions of long time series are performed, usually going far back into the past.

5.2.1. Length of comparable time series

Length of comparable time series is: 22

5.2.2. Reasons for break in time series

Not applicable.

5.3. Coherence - subannual and annual statistics

Indicator for this survey is not applicable.

5.4. Coherence - national accounts

Indicator was not computed for this survey.

5.5. Coherence – administrative sources

Indicator was not computed for this survey.

6. Cost and burden

6.1. Cost

Not available.

6.2. Burden

Not available.