

**QUALITY REPORT FOR STATISTICAL SURVEY**  
**European System of Integrated Social Protection Statistics**  
**(Core System and Module on Pension Beneficiaries)**  
**For 2017**

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Social Protection Statistics Department  
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## 0. Basic information

- Purpose, goal, and subject of the survey

The main objective of the statistical survey is the calculation of statistical indicators on expenditures and receipts intended for social protection within the ESSPROS system at the level of a particular social protection scheme and at the level of the entire system, as well as the calculation of social protection expenditure shares in certain aggregate structures (like gross domestic product), information on characteristics of social protection benefits, on the source of their financing etc. Social protection encompasses all interventions of public or private bodies intended to relieve households and individuals of the financial burden of the defined set of risks or needs. All schemes that are based solely on individual arrangement or on simultaneous reciprocal agreements are not considered as social protection.

The ESSPROS is a harmonised system that serves as an instrument of the analysis and comparison of financial flows of the social protection. The objectives of the ESSPROS are providing a comprehensive and coherent description of the social protection in the EU Member States and candidate states, financing of social benefits and establishing a system suitable for the international comparability and harmonisation with other statistics. The Core System consists of a stable annually collected data set on receipts and expenditures of the social protection programme in the Republic of Croatia.

The survey results are financial amounts that refer to social protection and indicators, such as the share of social protection and functions in GDP, which can serve for a quality analysis of the social protection system and contribute to adopting social policy guidelines. Data are comparable with other EU Member States and the EU average, which is important for the evaluation of the system and improvements in this field. The results of the survey that refer to particular ESSPROS functions can provide information on areas within social protection which require more attention. Furthermore, the breakdown of benefits on means tested and non-means tested provides information on the focus of social benefits to the most indigent population.

The receipt structure of ESSPROS schemes provides information on to what extent contributions cover the costs of a certain social protection scheme, to what extent the government financing is necessary and what the sources for scheme financing are.

While the Core System consists of standard information on receipts and expenditures of the social protection, modules provide additional sets of statistical information on particular forms of the social protection. Each module has its own methodology and is based on a particular Commission Regulation. The topics covered by modules have been determined on the basis of the needs expressed by the Commission and the Member States. Currently, ESSPROS includes modules that cover the following topics:

- number of pension beneficiaries
- net value of social protection benefits.

The objective of the Module on pension beneficiaries is to calculate the total number of beneficiaries for each type of pension (old-age, anticipated old-age, disability and survivors') and by ESSPROS functions (disability, old age and survivors). The focus of this Module is on beneficiaries that receive at least one type of pension, without double counting. Furthermore, a breakdown of beneficiaries by sex should also be recorded.

- Reference period

Calendar year

- Legal acts and other agreements

- Regulation (EC) No 458/2007 of the European Parliament and of the Council of 25 April 2007 concerning Community statistics on the information society (ESSPROS) (OJ L 113, 30.4.2007)
- Commission Regulation (EC) No 1322/2007 of 12 November 2007 implementing Regulation (EC) No 458/2007 of the European Parliament and of the Council of the European system of integrated social protection statistics (ESSPROS) as regards the appropriate formats for transmission, results to be transmitted and criteria for measuring quality for the ESSPROS core system and the module on pension beneficiaries (OJ L 294, 13.11.2007)
- Commission Regulation (EC) No 10/2008 of 8 January 2008 implementing Regulation (EC) No 458/2007 of the European Parliament and of the Council on the European system of integrated social protection statistics (ESSPROS) as regards the definitions, detailed classifications and updating of the rules for dissemination for the ESSPROS core system and the module on pension beneficiaries (OJ L 5, 9.1.2008)
- Official Statistics Act (NN, Nos. 103/03, 75/09, 59/12 and 12/13 – consolidated text)

- Classification system

Eurostat Classification of ESSPROS Scheme

Eurostat Classification of ESSPROS Receipts and Expenditures

- Concepts and definitions

Receipts of social protection schemes include the following:

- a) social contributions – costs incurred by employers on behalf of their employees or by protected persons to secure entitlement to social benefits
- b) general government contributions – costs incurred by the general government by running government-controlled non-contributory schemes, and financial support provided by general government to other resident social protection schemes
- c) transfers from other schemes – unrequited payments received from other social protection schemes. They are broken down into re-routed social contributions, which represent payments that a social protection scheme makes to another scheme in order to maintain or accrue the rights of its protected people to social protection from the recipient scheme and contributions made by one scheme to reduce the deficit of another. Values of transfers are recorded as expenditures of the scheme where they occurred and as receipt of the scheme that received the payment, and therefore they are not included in the calculation of total aggregates.
- d) other receipts – miscellaneous current receipts of social protection schemes. They are broken down into receipts of property income and other. In practice, it refers mainly to actual interest and dividends. Receipts from property income also include any entrepreneurial income, such as proceeds from the exploitation of dwellings, credited to the

scheme by the institutional unit that runs it. The category Other groups miscellaneous receipts not otherwise attributable, such as proceeds of collections (mainly gifts from households), net proceeds from private lotteries, claims on insurance companies and large gifts such as legacies from the private sector.

Social protection scheme expenditures are classified by type. Primarily, expenditures are broken down into the following:

- a) social protection benefits – transfers, in cash or in kind, by social protection schemes to households and individuals to relieve them of the burden of a defined set of risks or needs. The risks or needs of social protection refer to the ESSPROS functions that are comprehensive. Social protection benefits are broken down by ESSPROS functions according to the risk they cover. Further breakdown refers to means tested and non-means tested benefits. In addition to this breakdown, benefits are classified as benefits in cash and benefits in kind. Cash benefits can be periodic or paid as a lump-sum.
- b) administrative costs – costs charged to the scheme for management and administration thereof
- c) transfers to other schemes – unrequited payments made to other social protection schemes
- d) other expenditures – miscellaneous expenditures by social protection schemes. These are broken down into payments of property income and other expenditures.

Pension beneficiaries are defined as persons receiving one or more periodic cash benefits that correspond to four types of pensions defined by the Pension Insurance Act, but a beneficiary that receives more than one type of pension is counted only once in order to avoid double counting.

- Statistical units

Observation units are social protection schemes and pension beneficiaries. The social protection scheme is a distinct set of rules, supported by one or more institutional units, governing the provision of social protection benefits and their financing. Social protection schemes should at all times meet the condition that it must be possible to draw up a separate account of receipts and expenditures. Preferably, social protection schemes are chosen in such a way that they provide protection against a single risk or need and cover a single specific group of beneficiaries. However, in practice, many schemes provide benefits that belong to several functions. For practical reasons, small-scale, informal and incidental types of support that do not require regular management and accounting are conventionally excluded from the scope of ESSPROS, as it is the case with whip-rounds, Christmas collections, ad-hoc humanitarian aid and emergency relief in the event of natural disasters.

The Croatian Bureau of Statistics currently collects data for 15 different social protection schemes: 1 Job mediation and unemployment rights, 2 Pension insurance – first pillar, 3 Health insurance – basic, 4 Health insurance – supplemental (Croatian Health Insurance Fund), 5 Family benefits, 6 Social welfare, 7 Assistance in settling of housing costs, 8 Assistance in settling of heating costs, 9 Social welfare in the City of Zagreb, 10 Sick leave paid by employers, 11 Pension insurance – second pillar, 12 Rights of Croatian Homeland War defenders and members of their families, 13 Health protection at work, 14 Rights of civilian victims disabled during war and members of their families, and 15 Rights of military

personnel disabled during the war and members of their families. In the subsequent data revision (28 February 2018), scheme 16 Other social assistance at the local level, was added to the existing schemes.

- Statistical population

Data collected in the survey refer to the total financial amount spent on financing the social protection and to the number of pension beneficiaries.

## 1. Relevance

### 1.1. Data users

National users:

- ministries and other public administration bodies use the main indicators published in the First Release entitled “Social Protection in the Republic of Croatia”, such as the share of social protection in GDP and others
- Institute of Public Finance
- Faculty of Law.

International users:

- OECD requests information on social benefits intended for families and individuals, detailed descriptions of benefits and information on tax deduction system in the Republic of Croatia
- UNICEF.

#### 1.1.1. User needs

Data are delivered to UNICEF for the needs of the TransMonee database. The requested data include total expenditures on social protection broken down into contributory and non-contributory schemes and expenditures on social benefits in the Family/Children function.

OECD usually requests data on the social protection system (amounts of benefits, conditions for acquiring benefits, special rules for certain categories of beneficiaries) and tax deduction system, which serves as a basis for an analysis of the influence on total income of households and individuals.

Ministries and other government bodies use data from the ESSPROS-based surveys for monitoring the social protection areas, compiling documents for the purposes of national and international reporting on the improvements in this area as well as for creating the strategies for the improvement of the system.

In addition, researchers working in the area of social protection use data collected in the ESSPROS survey for their analyses and studies. In line with relevant regulations, ESSPROS represents a macroeconomic accounting frame for the calculation of larger financial amounts, which remain relatively stable across time periods.

### 1.1.2. User satisfaction

The user satisfaction survey is not conducted.

## 1.2. Completeness

Data required by Eurostat are defined by Regulation (EC) No 458/2007 of the European Parliament and of the Council of 25 April 2007, Commission Regulation (EC) No 1322/2007 of 12 November 2007, Commission Regulation (EC) No 10/2008 of 8 January 2008 and the ESSPROS Manual. The document referred to in relevant regulations is the ESSPROS Manual, which contains a description of the whole methodology and the classification for the ESSPROS system.

All required questionnaires and reports defined by regulations are delivered to Eurostat. These are data on receipts and expenditures of social protection schemes broken down by social protection functions and ESSPROS classification, data on pension beneficiaries by functions and sex, quality reports and descriptions of data.

For the coverage to be complete, the data on social benefits provided by employers and civil society organisations should be collected, which are only partly included in the coverage.

For the data on pension beneficiaries, the coverage of the research is complete.

### 1.2.1. Data completeness rate

Data completeness rate is 100%.

## 2. Accuracy and reliability

### 2.1. Sampling error

Not applicable.

#### 2.1.1. Sampling error indicators

The indicator for this survey is not applicable.

#### 2.1.2. Bias in sample selection process

The indicator for this survey is not applicable.

### 2.2. Non-sampling error

It is necessary to indicate that the ESSPROS survey, at the national level, is conducted without a developed data processing programme and that the survey is not based on sample or selection, which makes the calculation of most numerical quality indicators unfeasible. Moreover, the calculation method for most numerical indicators cannot be applied to the ESSPROS survey due to a large number of variables and smaller number of reporting units and the fact that certain variables are distinctive for only one reporting unit (for example, pensions, unemployment benefits and alike).

All reporting units deliver their data regularly so the unit non-response rate equals 0.

Data estimations should be made when information on a certain benefit is not available, or when the reporting unit is not in the position to break data down as required by the ESSPROS methodology. The majority of missing data are estimated with regard to the number of beneficiaries and the amount of a particular benefit. The disadvantage of this estimation method for most items is that the average number of beneficiaries in the reference year is usually not available, but this number is estimated on the basis of the number of beneficiaries in a certain month. In certain cases, the reporting unit has no information on amounts of individual benefits, which may vary between beneficiaries, so that amount also needs to be estimated.

As there is no adequate data source containing gross sick leave benefits paid by employers, the Crime and Social Security Statistics Department estimates those data on the basis of information available: total number of hours spent on sick leave financed by employers (first 43 days of sick leave), average gross earnings and estimated salary reduction rate due to the sick leave. The estimation is done at general level, since detailed data on each beneficiary, such as gross earnings and the period of sick leave, are not available. Moreover, the salary reduction rate due to the sick leave has to be estimated because each employer determines the rate separately. The Mandatory Health Insurance Act only prescribes the minimum reduction of 70% of the salary. New methods of collecting data on gross and net sick leave amounts paid by employers are explored on a regular basis.

The amount spent on social benefits financed by local self-government units (except for the City of Zagreb and housing benefits, which are presented in separate schemes) is also estimated. The Ministry of Finance manages the total amount spent on social assistance at the local level without distribution into the ESSPROS functions and items, but including individual items that do not belong to the ESSPROS methodology, and for this reason, an estimation is necessary. For the purpose of estimation, publicly available detailed data on social protection expenditures for a certain number of towns and municipalities with significant social protection expenditures are taken into account, and an aggregated distribution of expenditures according to the ESSPROS methodology is carried out for them. The distribution is then applied to the data of the Ministry of Finance in order to obtain an estimate of individual types of ESSPROS benefits at the level of all local units.

Collected data are verified in comparison with the previous year and with regard to legislation. It should be pointed out that Eurostat developed a web application used for running the initial data validation (detecting oscillations in a determined minimal relative difference and missing of individual figures recorded in previous periods or recording of a new item). Furthermore, it contacts the Crime and Social Security Statistics Department for all significant oscillations or inconsistent data, in which case an additional validation is applied by contacting the reporting units or consulting the relevant legislation.

#### 2.2.1. Coverage error

Under-coverage appears to a very small extent. For the coverage to be complete, the data on social benefits provided by employers and civil society organisations should be collected, which are only partly included in the coverage. The Croatian Bureau of Statistics regularly investigates the possibilities of collecting missing data in order to reduce under-coverage.

There is no over-coverage.

#### 2.2.2. Over-coverage rate

The indicator for this survey is not applicable.

### 2.2.3. Measurement errors

It is necessary to indicate that the ESSPROS survey, at the national level, is conducted without a developed data processing programme and that the survey is not based on sample or selection, which makes the calculation of most numerical quality indicators unfeasible. Moreover, the calculation method for most numerical indicators cannot be applied to the ESSPROS survey due to a large number of variables and smaller number of reporting units and the fact that certain variables are distinctive for only one reporting unit (for example, pensions, unemployment benefits and alike).

Reporting units deliver the data in Excel questionnaires containing pre-defined aggregation rules, so that statistical data for each variable are calculated automatically, which rules out most of the potential calculation errors. Data are verified individually in comparison with the previous year and with regard to legal regulations. In case of inconsistencies or higher oscillations, reporting units are contacted for data verification. It should be pointed out that Eurostat developed an application used for running the initial data validation (detecting oscillations in a determined minimal relative difference and missing of individual figures recorded in previous periods or recording of a new item). Furthermore, it contacts the Crime and Social Security Statistics Department for all significant oscillations or inconsistent data. After carrying out all those verification steps, it has been determined that the percentage of errors at the data entry was insignificant.

### 2.2.4. Non-response errors

All reporting units deliver their data regularly so the unit non-response rate equals 0. The non-response rate for certain variables is present, but the calculation method for most numerical indicators cannot be applied to the ESSPROS survey due to a large number of variables and smaller number of reporting units and the fact that certain variables are distinctive for only one reporting unit (for example, pensions, unemployment benefits and alike).

### 2.2.5. Unit non-response rate

Unweighted non-response rate is 0%.

Weighted non-response rate is: -.

### 2.2.6. Item non-response rate

The indicator for this survey is not applicable.

### 2.2.7. Processing errors

It is necessary to indicate that the ESSPROS survey, at the national level, is conducted without a developed data processing programme and that the survey is not based on sample or selection, which makes the calculation of most numerical quality indicators unfeasible. Moreover, the calculation method for most numerical indicators cannot be applied to the ESSPROS survey due to a large number of variables and smaller number of reporting units and the fact that certain variables are distinctive for only one reporting unit (for example, pensions, unemployment benefits and alike).

### 2.2.8. Imputation rate

The indicator for this survey is not applicable.



#### 2.2.9. Editing rate

The indicator for this survey is not applicable.

#### 2.2.10. Hit rate

The indicator for this survey is not applicable.

#### 2.2.11. Model assumption error

Not applicable.

### **2.3. Data revision**

#### 2.3.1. Data revision – policy

The users of statistical data are informed about revisions (provisional data, final data) on the website of the Croatian Bureau of Statistics. Data are published once a year in the First Release as final data. Information on possible revisions relating to previous reference years is provided in each subsequent First Release.

#### 2.3.2. Data revision – practice

Revisions are mainly done for a part of health care data (ESSPROS scheme 3 – Health insurance – basic), which are estimated when disseminating data on the latest reference year, while in the following dissemination they are replaced with final data.

Furthermore, revisions of shares of social protection and of each ESSPROS function in GDP are also possible. The reason for the revision lays in the fact that only preliminary GDP data are available at the moment of processing data and publishing the First Release.

The difference in values between two figures (shares) is most often insignificant. Unplanned revisions are also done in order to improve the survey coverage, harmonise data with the methodology and find new data sources.

#### 2.3.3. Data revision – average size

The indicator for this survey is not applicable.

### **2.4. Seasonal adjustment**

Data are not seasonally adjusted.

## **3. Timeliness and punctuality**

### **3.1. Timeliness**

#### 3.1.1. Timeliness – first results

The indicator for this survey is not applicable.

### 3.1.2. Timeliness – final results

Timeliness – final results is T + 14 months.

## 3.2. Punctuality

### 3.2.1. Punctuality – delivery and publication

Punctuality is 1.

## 4. Accessibility and clarity

First Releases published at the annual level and the Statistical Report for the period from 2008 to 2010 are available on the official website of the Croatian Bureau of Statistics. A limited printed edition is also published. Since 2017, more detailed data have been published in Excel tables (Statistics in Line).

### 4.1. News release

Regular publications:

- First Release: "Social Protection in the Republic of Croatia, 2016" (First Release 10.1.5.) is published at the annual level, at the end of February.
- Statistics in Line (published at the annual level, at the end of February, except in 2018, when it was published on 30 March, due to a significant data revision)

Ad-hoc publication:

Statistical Report "Social Protection in the Republic of Croatia, 2008 – 2010" (published on 22 January 2013).

### 4.2. Other publications

- Statistical Yearbook of the Republic of Croatia (separate chapter entitled Social Protection)
- Statistical Information of the Republic of Croatia (separate chapter entitled Social Protection)

### 4.3. Online database

There is no online database.

### 4.4. Micro-data access

ESSPROS statistics data are collected as already aggregated financial amounts that cannot be connected, directly or indirectly, with individual beneficiaries of social benefits covered by the survey. Therefore, the majority of collected data are published in regular publications of the Croatian Bureau of Statistics.

#### 4.5. Documentation on methodology

The basic methodological information is provided in every publication – in First Release 10.1.5. (chapter Notes on Methodology). It is available on the official website and in printed form.

Comprehensive notes on methodology are currently available only in English in electronic form on Eurostat's official website: <http://ec.europa.eu/eurostat/web/social-protection/methodology> (under the title: ESSPROS Manual - The European System of Integrated Social Protection Statistics).

### 5. Comparability

#### 5.1. Asymmetry for mirror flows statistics

Not applicable.

#### 5.2. Comparability over time

##### 5.2.1. Length of comparable time series

Length of comparable time series is 9.

##### 5.2.2. Reasons for break in time series

There was no break in time series so far.

### 6. Coherence

#### 6.1. Coherence – short-term and structural data

The indicator for this survey is not applicable.

#### 6.2. Coherence – national accounts

The indicator for this survey is not computed.

#### 6.3. Coherence – administrative sources

Coherence with data from administrative sources is as follows.

Statistics	Domain	Domain value	Value
Social protection	Croatia		0

## **7. Cost and burden**

### **7.1. Cost**

Costs are minimal, as all data are collected by e-mails in Excel questionnaires. The costs of data processing can include a proportional part of working hours of two employees working on this survey in the Crime Administration System and Social Protection Statistics Department. This should be supplemented with a certain contingent of person/hour for persons involved in this survey in the Publishing Department.

### **7.2. Burden**

Information on time spent on data delivery is not available.