

**DEVELOPMENT STRATEGY OF OFFICIAL
STATISTICS OF THE REPUBLIC OF CROATIA
2004 – 2012**

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1. INTRODUCTION

The development of the statistics system is a complex process which requires continuous dialogue with the users of statistical data, the providers of data and other bodies involved in the activities of producing official statistics, as well as the systematic monitoring and application of international standards, and the formation and maintenance of appropriate human and material resources. In doing this, special attention is given to observing the rules of statistical confidentiality and to ensuring the international comparability of statistical indicators.

The Development Strategy of Official Statistics of the Republic of Croatia is a document establishing the long-term goals, but also the general principles, determinants and criteria for the activities and development of official statistics in the Republic of Croatia. The Strategy also forms the basis for determining the basic list of statistical activities and the group of statistical indicators in conformity with the requirements and needs of end users, and represents the starting point for the next cycle of the strategic management of official statistics of the Republic of Croatia.

A Programme of Statistical Activities of the Republic of Croatia is drawn up for the needs of the medium-term planning of the development of official statistics. This Programme is based on the elaborated concept of the statistical product. The Annual Implementing Plan, which is derived from the Programme, is a short-term document elaborating statistical activities up to the level of statistical surveys.

The Development Strategy of Official Statistics of the Republic of Croatia is significantly determined by the strategic goal of the Republic of Croatia to join the European Union, which implies the acceleration of the harmonisation process of the official statistics system of the Republic of Croatia with the statistics of the European Union. Only when full harmonisation has been achieved between these two systems will it be possible to compare, evaluate and make valid decisions on the measures that are necessary to improve individual segments of social life.

2. MISSION

The efficient and timely preparation and dissemination of high-quality and reliable statistical indicators of conditions and changes related to economic and social phenomena and processes to enable users to make decisions, undertake measures and develop policies based on facts.

The purpose of the activity of the Croatian statistics system is to enable:

- the population to obtain insight into the real and objective picture of social conditions
- business people, the state administration, politicians, public institutions and other organisations to monitor the phenomena and trends in society, analyse them, and obtain reliable information which will form the basis for decision making, the undertaking of measures and the development of policies
- the media and educational institutions to transfer objective and reliable information on social conditions and trends
- scientists, analysts and researchers to conduct empirical studies of social and economic trends

- international organisations, business people and other participants in international cooperation to conduct their activities based on internationally comparable statistical indicators.

The Croatian statistics system not only gives a picture of the conditions and changes within the Republic of Croatia, but also, by providing the opportunity for comparison, contributes to the creation of a broad picture of the conditions and changes within and outside Europe. This also contributes to the building of an international statistical system of comparable data.

3. VISION

The Croatian statistics system should be publicly recognised, user focused, and a known source of reliable and timely statistical indicators that meet the needs for information about social and economic conditions and trends.

It is extremely important to set up a system of values that will be accepted and systematically applied by all the stakeholders in the official statistics system. These values are as follows:

- **User focus**

Current and future users are the reason for and the purpose of the existence and development of the statistics system. Since user demands are of the highest importance for the development of the system, work must be done to meet these needs through the common effort of the users and the producers of official statistics.

- **Quality of performance**

Tasks should at every moment be performed to the highest possible level of quality. To achieve this quality, it is crucial that employees attain the highest level of expertise and professional competence.

- **Effectiveness**

Resources should be used effectively, in conformity with the principles of good governance.

- **Development and improvement**

Continuous development and improvement of the current statistics system and statistical product will ensure the high quality monitoring of the changes occurring in society.

Official statistics is based on the UN principles of relevance, impartiality, reliability, transparency, timeliness, professional independence, cost-effectiveness, consistency, publicity, statistical confidentiality, the use of individual data exclusively for statistical purposes, and public accountability.

4. MAIN TASKS

The main tasks, defined by the legal framework of the Croatian statistics system, are as follows:

☐ **Collecting, processing and disseminating statistical data**

The primary task is the collection and processing of statistical data, and the production and dissemination of statistical indicators on social and economic conditions and trends, including preparations for drawing up analytical commentaries and projections for public use.

☐ **Maintaining the professional independence of the Croatian statistics system**

The term professional independence implies full independence in professional matters to ensure full equality of all stakeholders in the Croatian statistics system. This relates to the producers of statistical activities, to the providers of data, and to users.

☐ **Strengthening public trust in official statistics**

For data to be relevant in the statistics system, it is crucial that the public perceive, understand and have positive experience with the ways that the producers of official statistics protect the confidentiality of collected data. Strengthened trust in official statistics also increases the readiness of reporting units to more precisely describe the measured phenomena, and this in turn improves the relevance of the supplied data.

☐ **Improving international cooperation**

Special emphasis is placed on cooperation with the European Union within the framework of European integration processes, and on cooperation with international organisations such as the UN, the World Bank and the International Monetary Fund. The purpose of cooperation with international organisations, as well as bilateral cooperation with individual countries, is not only to fulfil the international obligations of the Republic of Croatia, but also to provide complementary support for the development of the Croatian statistics system which, through such harmonisation, will ensure the international comparability of statistical data.

5. STAKEHOLDERS IN THE CROATIAN STATISTICS SYSTEM

The stakeholders of the Croatian statistics system are the producers of official statistics, the providers of data, and the users of official statistical data.

Producers of official statistics are the Central Bureau of Statistics, the Croatian National Bank, state administration offices within the counties, and the Administrative Body of the City of Zagreb authorised for official statistics activities, as well as other institutions designated in the Programme of Statistical Activities. The Central Bureau of Statistics is a central statistical institution conducting the majority of statistical activities in the Republic of Croatia. The Croatian National Bank, which acts independently and outside the state administration system, conducts statistical activities in its domain, regulated by the Croatian National Bank Act (Official Gazette, no 36/01). State administration offices within the counties and the Administrative Body of the City of Zagreb are competent for official statistical activities and collect, process and disseminate statistical data respectively for the

territories of the pertaining counties and for the City of Zagreb. The role of other authorised bodies performing statistical activities designated by the Programme of Statistical Activities has been defined in conformity with the expressed needs for statistical indicators which fall within their domains. The role of these authorised bodies is subject to modifications caused by potential changes in the expressed needs, but also by the estimate of their capacity to accommodate the methodological requirements and basic principles of the UN.

Providers of data are all physical and legal persons in the territory of the Republic of Croatia from which the producers of official statistics obtain data for statistical purposes. Besides this, state administration bodies that possess administrative data are obliged to make these data available to the producers of official statistics whenever there is a need.

Users of official statistical data may be found in all the spheres of economic and social life, ranging from individuals, business entities, bodies of legislative, executive and judicial power, state administration and local self-government bodies, science and research institutions, and NGOs, to European and other international institutions.

6. STRATEGIC AREAS AND STRATEGIC GOALS

The strategic goals of the Croatian statistics system in this planned period is, on one hand, determined by the goals of the Croatian state, its obligations towards national and international priorities, and, on the other hand, by the state of affairs and realistic capacities of the statistics system, its capacity for change, and the objective availability of necessary resources. The strategic goals call for changes which will ensure the greatest shift in the planning, functioning and usage of the Croatian statistics system. At the same time, such a set of goals establishes the foundations for communication with international statistics systems, ensuring the comparability of data and methods, and with this, also the strengthening of trust and the applicability of the data of the Croatian statistics system in an international context.

The official statistics system is structured to form the following five strategic areas:

- legal basis
- official statistics system
- dissemination and services to users
- international cooperation
- human resources and organization of work

Each strategic area comprises a number of long-term strategic goals for the development of the Croatian statistics system. The long-term strategic goals are expressed in the Programme of Statistical Activities and in the Annual Implementing Plan in the form of concrete tasks and groups of statistical indicators. They are derived from the mission, vision, main tasks and strategic areas, and reflect the real needs of users for statistical data.

6.1 LEGAL BASIS

GENERAL GOAL:

- To develop and apply the legal framework of the official statistics system in conformity with national and international needs and requirements.

STRATEGIC GOALS:

- ☐ To define and set the legal framework of the organizational structure and territorial organization of the Central Bureau of Statistics.
- ☐ To establish the coordination function of the Central Bureau of Statistics in relation to other producers of official statistics.
- ☐ To apply international standards in the area of professional independence of the official statistics system.
- ☐ Within the activities aimed at the integration of Croatia in the European Union, to establish and maintain harmonization with the *acquis communautaire*.

6.2 OFFICIAL STATISTICS SYSTEM

GENERAL GOAL:

- ☐ To develop an official statistics system in conformity with national and international needs and requirements.

STRATEGIC GOALS:

- ☐ To build mechanisms in the official statistics system to ensure complete statistical confidentiality.
- ☐ To work on reducing the load on the providers of data.
- ☐ To establish and develop a model where users can exert influence on the development of the statistics system.
- ☐ To harmonize the official statistics system with the European statistics system and to harmonize national statistical standards with international standards.
- ☐ To systematically improve the quality and timeliness of statistical information.

6.3 DISSEMINATION AND SERVICES TO USERS

GENERAL GOAL:

- ☐ To develop a system of dissemination of statistical indicators in conformity with national and international needs and requirements.

STRATEGIC GOALS:

- ☐ To ensure equality of rights to use official statistical data.
- ☐ To establish a database of official statistics on the Internet accessible to the public.
- ☐ To establish a system of monitoring the use of official statistics.
- ☐ To respond to all the realistic needs and requirements of the users of official statistics.
- ☐ To increase the role of electronic forms of data transfer.
- ☐ To achieve a fully bilingual publication of data on the Internet – Croatian and English.
- ☐ To establish a system of regular evaluation of the quality of services, and of monitoring the needs and satisfaction of the users of services.
- ☐ To establish and further develop a fee-collection system for non-standard services of compiling statistical data.

6.4 INTERNATIONAL COOPERATION

GENERAL GOAL:

- ☐ To respond to the international obligations set before the Croatian statistics system.

STRATEGIC GOALS:

- ☐ To achieve international comparability of statistical data.
- ☐ To contribute to the activities of international statistical bodies and organizations by actively participating in their work.

6.5 HUMAN RESOURCES AND ORGANISATION OF WORK

GENERAL GOAL:

- ☐ To achieve sustainability of the official statistics system.

STRATEGIC GOALS:

- ☐ To promptly engage and develop human resources, among other things through systems of providing incentives for good performance, in-service professional training, and internal information.
- ☐ To develop a quality management system in all activity segments of official statistics.
- ☐ To develop horizontal connections among the segments of the statistics system.
- ☐ To establish a system of monitoring internal productivity and efficiency.
- ☐ To streamline the organization of work.
- ☐ To establish a link between the development of the system and modern information technologies.

7. INDIVIDUAL GOALS

Individual goals are the result of elaboration of the strategic goals up to the level of concrete activities necessary for the drawing up of the statistical product, that is, the group of statistical indicators shaped into cohesive units which respond to the needs of users for statistical data.

7.1 STATISTICAL REGISTERS

The basic prerequisite for the development of a statistics system is the establishment of statistical registers which form the basis of the most significant statistical surveys.

The most important strategic goal in this field is to establish a Statistical Business Register as the main source of data for most statistical surveys in business statistics, which will have the central role in national accounts. The Statistical Business Register will be organised in such a way as to show the allocation of institutional units by sectors, and, by producing a profile of enterprises and local units, kind-of-activity units and local kind-of-activity units will be obtained.

The creation and initial implementation of the Statistical Register of Agricultural Holdings is also envisaged. The statistics of agricultural production will be an important source of information for the correct positioning of the Republic of Croatia

in the European Union. A well-organised, reliable and updated Statistical Register of Agricultural Holdings will form the foundations for the implementation of effective and economical statistical surveys in agricultural production.

In the area of housing and construction, a Statistical Register of Buildings and Flats will be produced, which will also be used as a framework for the selection of units in household surveys.

7.2 APPLICATION OF THE SAMPLING METHOD ON THE BASIS OF REGISTERS

High-quality statistical registers have a dual role. One is to raise the quality of collected data by keeping up-to-date records of changes in statistical units, while the other equally important role is to decrease the costs of implementing statistical surveys through well-selected representative samples of the studied phenomenon. Reducing the costs of the implementation of statistical surveys is of particular importance since the number of statistical surveys is expected to increase, and since new possibilities and contents are being added to the statistics system.

7.3 CLASSIFICATIONS

To achieve the comparability of data between different statistical surveys within the country and in international relations, it is necessary to establish and maintain a system of internationally recognised classifications. Such classifications are used for presenting results within the country, but also allow international comparability, which is another international obligation of the Republic of Croatia.

In the field of classifications, the strategic goal is to harmonise all the specific classifications according to the NKD (National Activity Classification) and KPD (Product Classification) classifications. The harmonisation of these classification systems will allow for a comparison of data from different surveys and will also allow for international comparison. With the same goal, the harmonisation of national classifications in the field of social statistics will continue pursuant to international classifications and their mutual connection.

7.4 BUSINESS STATISTICS

The business statistics system should ensure up-to-date, reliable and comparable statistical information on business and business actors within the framework of the national market economy, as well as allow comparison with other economies.

Business statistics have broad application, particularly when observing the structure and evolution of business activities, the business cycle and trends, the use of production factors and other elements which have an impact on competitiveness, the success of regional, national and international business development, the emergence of new economies, small and medium enterprises, as well as specific characteristics of enterprises in relation to special economic groups.

The strategic goals of business statistics development are as follows:

- establishing a consistent system of structured business statistics harmonised with the European Union, which will allow for the collection, production and dissemination of reliable, comparable and timely structured indicators on the overall structure of the economy, the emergence of new economies, economic activities of enterprises (business entities), the size of enterprises (particularly small and medium enterprises), their business, and on efficiency and competitiveness at a national, regional and international economic level

- ☐ harmonising the national system of short-term business statistics with the statistics system of the European Union and the production of all short-term business information for the speedy and reliable analysis of the business cycle, and the correction of current economic policy through the analysis of information on movements in individual economic activities within the main sectors of the economy, as well as in the economy as a whole
- ☐ establishing and organising a new system of national energy statistics according to the concept of the European Union, which will ensure structural and short-term information on production, consumption and prices per type of energy, the effectiveness of the national energy sector and its restructuring, on the entities involved in the supply, trade and distribution of energy, through to the calculation of the statistical energy balance pursuant to the concept of the European Union and the national development strategy of the energy sector.

7.5 EXTERNAL TRADE STATISTICS

One of the most important tasks in the accession of the Republic of Croatia to the European Union is the monitoring of external trade. For this purpose, Intrastat will be introduced in the official statistics system of the Republic of Croatia, which is a new survey monitoring the trade in goods of EU Member States on the basis of reports of business entities participating in this trade, which will continue by the monitoring of goods traded with third countries, on the basis of customs statements.

In preparing for the introduction of the new statistical survey on external trade, it will be necessary to apply the regulations and methodology of the European Union, and at the level of the Republic of Croatia, to determine a legal framework and to define the producers and performers of activities and tasks related to Intrastat.

7.6 AGRICULTURAL STATISTICS

Agricultural statistics is one of the priority statistics in the accession of the Republic of Croatia to the European Union. The significance of agricultural statistics may already be seen in the number of decrees represented in Eurostat. This includes various subject areas: plant production, animal husbandry, forestry, fisheries, agro-monetary statistics and the protection of the environment. The assurance of high-quality, reliable and internationally harmonised data is necessary to meet the needs of agrarian policy, planning and the implementation of sustainable development at a regional and national level, as well as planning measures for the protection of the environment.

For this reason a Register of Agriculture will be drawn up, on the basis of which a radical revision of existing agricultural statistics will be made, and which will form, at the same time, the basis for new surveys.

A typology of agricultural holdings (according to the type of agricultural production and to economic strength) will be established and implemented.

One of the key goals is to establish and develop a national agro-monetary statistical system harmonised with the demands of the European Union, particularly in the field of prices and economic accounts in agriculture and forestry.

Environmental statistics will also be developed, particularly in relation to the costs of environmental protection.

The use of administrative sources is planned in those areas where it is possible for the purpose of reducing both the costs and the load on the providers of data (for example, in fishing and the protection of the environment).

7.7 SOCIAL STATISTICS

Besides the economy, rapid changes also occur in the social sphere, where it is particularly important to ensure the monitoring of changes and of the progress of social protection offered to the most vulnerable categories of the population. In order to ensure an overview of the dynamic social changes that can be expected, the existing data on the population, the labour market, education, culture, health care, personal expenditure and social protection will be harmonised and complemented in statistical monitoring. On the basis of these data, the calculation of short-term indicators and internationally comparable social indicators, comprising five important dimensions for the social integration of the population, will be introduced:

- ▣ the financial aspect of poverty
- ▣ employment
- ▣ health care
- ▣ education
- ▣ housing.

The social indicators defined by Eurostat and according to which the calculation will be developed at a national and regional basis allow for the periodic monitoring of the progress of the country according to the set goals. Within the full group of indicators there is a division into monetary and non-monetary, or structural, indicators. Monetary indicators, relying on the data on the income and expenditure of the population for personal spending, shed light on the problem of poverty together with several demographic, financial and other aspects, and, complemented by structural indicators on the economic activity of the population, health care, education and housing conditions, give a comprehensive picture of society.

Social statistics will acquire, as a strategic option, a new function – the collection of financial data for the needs of macroeconomic statistics. The population and its expenditure are an important segment of macroeconomic statistics. An equally important factor is the income of the population and the structure of expenditures. Social statistics will collect these data in order to improve the quality of data in macroeconomic statistics.

7.8 MACROECONOMIC STATISTICS

Within the segment of macroeconomic statistics there is an extensive plan and a number of strategic goals that the Central Bureau of Statistics intends to achieve. It is planned to introduce the calculation of the quarterly gross domestic product (GDP) according to the production and expenditure approach in current and permanent prices on the pure activity principle, as opposed to the institutional principle, as has been done so far. Besides the quarterly GDP, the annual GDP per production, expenditure and income approach will also be calculated in current and fixed prices, pursuant to the pure activity principle. Current accounts and accumulation accounts will also be monitored.

One of the important goals, particularly in relation to the expectations of Croatia in joining the European Union, is the calculation of GDP at a regional level. GDP will be calculated at the level of NUTS 2 and NUTS 3, and, in this way, comparability with the regions of the European Union will be achieved pursuant to standard and universally accepted methodologies. This goal will also include household bills.

The strategic goals of developing macroeconomic statistics also include the calculation of supply and use tables and symmetrical input-output tables for the Republic of Croatia in current and fixed prices.

In order to improve the overview of the pace of changes in terms of expenditure, and in conformity with the common practice of the Member States of the European Union, the monitoring of the consumer price index will be established as both a national and harmonised model.

Important areas for the Republic of Croatia are the sectors of energy, tourism and ecology. Satellite accounts will be established in these sectors, and the necessary statistical surveys will be conducted to allow for an insight into the indirect effects of these activities on the functioning of society as a whole.

7.9 REGIONAL STATISTICS

The introduction of regions for statistical monitoring will enable further development of the regional statistics as a prerequisite for planning and monitoring of regional development. Besides GDP, which will be calculated up to the NUTS 3 level, and current accounts of households, which will be calculated up to the NUTS 2 level, strategic goals of development are the following:

- ▣ indicators of economic activity of population from the Labour Force Survey up to the NUTS 2 and NUTS3 levels,
- ▣ economic accounts in agriculture and forestry up to the NUTS 2 level,
- ▣ structural business indicators (salaries and wages, gross investments in fixed capital, number of persons employed etc.) at the NUTS 2 level,
- ▣ structural indicators of the production and consumption of energy at the NUTS 2 level,
- ▣ indicators of carried goods and passengers in international transport at the NUTS 2 level,
- ▣ indicators of accommodation capacities, number of tourists and tourist nights at the NUTS 2 and NUTS 3 levels,
- ▣ indicators of education statistics at the NUTS 2 level.

In conformity with the Stabilisation and Association Agreement, the Republic of Croatia committed itself to submit by 2006 the GDP per capita harmonised at the NUTS 2 level to the Commission of the European Communities. The implementation of the Labour Force Survey at the NUTS 2 level is also planned to be carried out by 2006.

The regional statistics in other sectors is planned to be implemented by 2007, which will enable comparability of statistical regions of the Republic of Croatia with EU regions on the basis of identical standards used for statistical monitoring.

7.10 GENDER STATISTICS

The gender statistics refers to statistical data that express the reality of women and men in all spheres of life, including relationships between women and men. Such a statistics clearly defines the degree of gender equality in society. It enables the visibility of conditions and experiences of women and men in every stage of life cycle. Gender statistics provides for monitoring the situation with gender equality in the Republic of Croatia necessary for decision-making, taking measures and conducting a policy of bringing about of that equality. It takes a possibility of comparison of data on women and men in all areas of social life.

On accession to the European Union, the Republic of Croatia engages itself to accelerate the process of harmonisation of its official statistics system with the EU statistics, which promotes expressing of all data on individuals by sex, and to achieve a continuous development and improvement of methodologies and indicators for evaluation of the gender equality.

Gender statistics:

- ▣ expressing of all statistics on individuals by sex,
- ▣ analysing and presenting of all variables and characteristics by sex as a primary and comprehensive classification category,
- ▣ reflecting of all gender issues in statistical data.

Statistical data on individuals shall be expressed by sex in all publications and, if possible, by age. Data shall be available to users via electronic media and via official statistics data bases accessible to public on the internet. The Central Bureau of Statistics shall regularly publish and disseminate publications containing statistical data on women and men in the Republic of Croatia. Publications shall be intelligible to non-expert users as well.

The Development Strategy of Official Statistics of the Republic of Croatia is determined by its mission, vision, main tasks, strategic areas and goals. The planned development has been assessed on the basis of the needs of domestic and international users of statistical data, but also on the basis of the tasks set before the official statistics system by the foreseen accession to the European Union. The envisaged step forward is both necessary and feasible, while its realisation also depends on the supply of necessary human and financial resources.