



REPUBLIC OF CROATIA
CROATIAN BUREAU OF STATISTICS

PRESS RELEASE

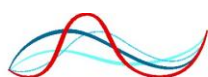
ON THE OCCASION OF PRESENTING RESULTS OF THE RESEARCH

"MAPPING AND ESTIMATION OF THE GEOGRAPHICAL DISTRIBUTION OF RISK OF
POVERTY AND SOCIAL EXCLUSION FOR SMALL AREAS OF THE REPUBLIC OF
CROATIA"

Croatian Bureau of Statistics, in collaboration with the World Bank, conducted a study entitled 'Mapping and Estimation of the Geographical Distribution of Risk of Poverty and Social Exclusion for Small Areas of the Republic of Croatia', whose main purpose is the development of detailed data on the geographical distribution of poverty and social exclusion.

For the first time as part of the official statistics of Croatia, this study used a small area estimation approach, which is based on combining data gathered from surveys with the data from the 2011 Census of Population, Households and Dwellings. Due to this, the risk of poverty estimates were obtained for counties, towns and municipalities of the Republic of Croatia. The standard survey research on households carried out by the Croatian Bureau of Statistics and conducted on a sample of several thousand households are not adequate for poverty and social exclusion estimates for small geographic areas because reliable results for Croatia can only be obtained at NUTS 2 level¹. For this reason, the results of the surveys were combined with the 2011 Census of Population, Households and Dwellings, which ensured full coverage of lower geographical levels which were not included in the sample, in order to obtain income/expenditure estimates for households and, finally, the at-risk-of-poverty rates.

¹ The term "statistical regions" refers to spatial units for second-level statistics (NUTS 2), in line with the regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS).



Data on the at-risk-of-poverty estimation in the project have been calculated according to two approaches – the income and expenditure approach. In data interpretation, these approaches should be considered alternative, not complementary measures. The income approach uses the risk-of-poverty threshold which is set at 60% of median national equivalent income based on EU-SILC (Statistics on Income and Living Conditions) survey. The expenditure approach uses the risk-of-poverty threshold which is set at 60% of median national equivalent expenditure based on HBS (Household Budget Survey) survey.

It is important to note that the results of this project, due to different methods of calculation, are not completely comparable with results of other projects on poverty. However, differences between results at national level are not statistically significant.

According to income approach, the estimated at-risk-of-poverty rate in the Republic of Croatia in 2011 was 19.2% (survey rate was 20,4%), which means that it is estimated that 19.2% of people or around 803 thousand people had an annual equivalent disposable income lower than 24 000 kn, which was the risk-of-poverty threshold for single-member households. Estimates of the at-risk-of-poverty rates according to NKPJS 2 level were 20.0% for Continental Croatia and 17.4% for Adriatic Croatia. Looking at the estimates at the county level, they ranged from 9.8% to 35.9%. The lowest at-risk-of-poverty rates estimates were recorded in the City of Zagreb (9.8%) and the County of Primorje-Gorski Kotar (11.9%), while the highest were recorded in the County of Slavonski Brod-Posavina (35.9%) and Virovitica-Podravina (33.4 %)

According to the expenditure method, the estimated at-risk-of-poverty rate in the Republic of Croatia in 2011 was 17.1% (survey rate was 16,3%), which means that it is estimated that 17.1% of people, or around 717 thousand people had the equivalent annual consumption of less than 23 319 kuna, which is the at-risk-of-poverty threshold for single-member households. Estimates of the at-risk-of-poverty rates at NUTS 2 level amounted to 19.4% for Continental Croatia and 12.6% for Adriatic Croatia. Looking at the estimates at the county level, they ranged from 5.9% to 34.3%. The lowest levels of at-risk-of-poverty rates, below 10%, were recorded in the City of Zagreb (5.9%) and the County of Primorje-Gorski

Kotar (9.1%), while the highest of around 34% were recorded in the County of Slavonski Brod-Posavina (33.9%) and Karlovac (34.3%).

Given the fact that the commitment to quality is one of the principles of the Code of Practice of European statistics, we want to emphasize that for the lower territorial level or the level of municipalities and towns with less than 15 000 households, the at-risk-of-poverty rate estimates are less reliable. The quality of the research depends on the level of representativeness of the surveys, which means that the quality of the research would be significantly higher if the samples on which the surveys were conducted were representative at lower levels such as the county level.

Data collected through this research can serve as a basis for the creation of policies aimed at reducing poverty, promoting social inclusion and encouraging regional development. In addition, the study results may serve as an aid in the use of European structural and investment funds and to ensure effective distribution of available funds intended for such purposes.

This activity stems from an initiative aimed at estimating the risk of poverty for smaller geographical areas, such as territorial NUTS 2, NUTS 3 or lower levels in all EU Member States, launched by the European Commission in cooperation with the World Bank. An important task of the official statistics of the Republic of Croatia is actively participating in international statistical cooperation and complying with the requirements of providing statistical indicators derived from Croatian obligations to the international community.

The results of the survey are available on the website of the Croatian Bureau of Statistics in databases (link) and on the web portal [GEOSTAT^{RH}](#).

Zagreb, 17 October 2016.