

The generic template for quarterly financial accounts statistics as provided by Croatia (Croatian National Bank)

A. INSTITUTIONAL ENVIRONMENT

A.1 CoP1 Professional independence / PC1 Professional independence

A.1.1 Legal basis

Article 2 and 4 of the Act on the Croatian National Bank (available at <https://www.hnb.hr/en/-/zakon-o-izmjenama-i-dopunama-zakona-o-hrvatskoj-narodnoj-banci>) establish the Croatian national bank's (CNB's) independence in achieving its objectives and carrying out its tasks, thereby guaranteeing, among other things, the absence of interference with respect to the compilation and dissemination of statistical information (emphasized further by Art. 66 and 86 related to statistical tasks of the CNB).

The independence of the CNB, in its capacity as a member of the ESCB, is further emphasized in Article 130 of the EU Treaty and Article 7 of the Statute of the ESCB and of the ECB.

A.1.2 Statistics work programme

Annual statistical work programme in Croatia is published in the Official gazette (Narodne Novine) and the CNB's role is described in it. Annual statistical work programme for 2023 is available at https://narodne-novine.nn.hr/clanci/sluzbeni/2023_03_35_603.html

A.2 CoP2 Mandate for data collection/PC2 Mandate for data collection

A.2.1 Allocation of responsibilities

Both the annual and quarterly financial accounts are produced by the CNB.

A.2.2 Legal basis

A Memorandum of understanding (MoU) has been signed between the CNB, the Ministry of finance and the Croatian Bureau of Statistics, distributing responsibilities in the field of official statistics among the three institutions. The full text of this MoU can be accessed at <https://dzs.gov.hr/UserDocsImages/dokumenti/Sporazum%20o%20suradnji%20na%20području%20statistike%20nacionalnih%20računa%20opće%20države%20i%20s%20njom%20povezanih%20statistika.pdf>

A.3 CoP6 Impartiality and objectivity / PC6 Impartiality and objectivity

A.3.1 Advance release calendar

Advance release calendar is published at <http://www.hnb.hr/en/statistics/release-calendar>.

A.3.2 Revision policy

Financial accounts are compiled on a quarterly basis. Annual financial accounts are derived from quarterly figures. Annual flows are the sum of the four quarters and annual stocks are the amounts recorded at the end of the year. Quarterly financial accounts are revised whenever there is a revision in the primary sources used to compile the financial accounts. At each data transmission we ensure full consistency with the GFS reporting on the whole revised series. An official revision policy for financial accounts domain has not been adopted, but in practice we try to stick to the HERP as much as possible.

B. STATISTICAL PROCESSES

B.1 CoP7 Sound methodology / PC7 Sound methodology

B.1.1 General remarks

Financial accounts are compiled in accordance and are broadly consistent with the principles, requirements, and the conceptual framework of ESA 2010. A revised version of national documentation, detailing sources and methods for the compilation of financial accounts is going to be published in the future.

B.1.2 Residency and territory

In the compilation of financial accounts, the definitions of residency and territory are compliant with ESA 2010 and BPM6 definitions.

B.1.3 Institutional unit definition

In the compilation of financial accounts, the definition of institutional unit is compliant with the ESA 2010 definition.

B.1.4 Sectorisation & sector delimitation

In the compilation of financial accounts, the definitions and delimitation of institutional sectors are compliant with ESA 2010 definitions and delimitation. Subcommittee for sectorisation that is founded as part of MoU is in charge of issues related to sector delimitation. Sectorisation data by unit is available at: <https://web.dzs.hr/sektorizacija.htm>

B.1.5 Instrument identification

In the compilation of financial accounts, the definitions of financial instruments are compliant with ESA 2010 definitions.

B.1.6 Valuation, including derivation of transactions and other flows

Market prices are used for the valuation of transactions and stocks wherever possible. Nominal values are used for positions in currency and deposits, loans and other accounts receivable/payable. Valuation of unlisted shares and other equity is book value (own funds). Transactions are compiled using direct reporting, indirect calculations, and differences between stocks. When transactions are not reported directly by reporting subjects, transactions are calculated for deposits and loans as differences in stocks, corrected for foreign exchange revaluation effects and write-offs for loans. The only exceptions are inter-NFC loans and loans granted by S125 (mostly financial leasing) where the currency breakdown is not available so that transactions are computed as differences in stocks. Transactions of residents in other equity are computed as differences in share capital, and revaluations are calculated as difference between stock difference and transactions. Transactions in equity instruments with the rest of the world are compiled directly based on surveys by the BoP unit of the CNB's Statistics department. Other flows comprise other changes in volume and revaluations. Other changes in volume are identified on individual basis and mostly comprise changes in sector classification. Revaluations are used to ensure stock-flow consistency except when transactions are calculated as difference in stocks.

B.1.7 Time of recording (accrual accounting)

Interest income is recorded on an accrual basis with the instrument on which they accrue.

B.1.8 Coverage gaps

Sector S14 is compiled using the counterpart statistics data only, and their relations with sectors having data sources of lower granularity (S11, S125, S126, S127, S15) are considered coverage gaps.

For S125, for leasing and factoring, complete population is maintained by Croatian financial services supervisory authority (HANFA) and for credit unions by CNB. For S126 population is determined by algorithm and for S127 population is determined by algorithm and survey.

Data for all institutions in S125 is collected quarterly, although level of detail is inferior compared to other available statistics. For S126, S127 and S15 annual financial report is used, and thus census is achieved of those sectors

Full coverage of S125 and S126 is achieved with the 2024 benchmark revision.

New entrants and exits are covered for S125 by the fact that registration by HANFA or CNB is required. For S126, new entrants are determined algorithmically on company registration. For S127 survey is conducted occasionally, with the next survey planned for late 2024/early 2025.

B.1.9 Non-consolidation/consolidation at sectoral level - As required under the ESA 2010 Transmission programme (Tables 6 and 7)

The CNB is able to report the consolidated and non-consolidated data of the financial accounts. Both are derived from the same database. The database is conceived as a full who-to-whom matrix, which allows for the calculation of the consolidated data for each financial instrument and each

institutional sector. However, for sectors with less granularity (S125, S126, S127, S14 and S15) their consolidated and non-consolidated stocks could be the same, since their consolidation stocks cannot be precisely computed. The consolidated data are compiled and transmitted in accordance with the requirements of the ESA 2010 Transmission programme.

B.1.10 Specific issues for instruments covered by MIP indicators

Inter-NFC loans are compiled using annual data, with a lag of at least 6 months. Quarterly data are estimated from the past annual data using the so called flow increment method (<https://www.imf.org/external/pubs/ft/cgmfs/eng/8.pdf>- page 62) before the new annual data becomes available. Increment flows for current quarter are assumed to be same as previous quarter. After the new annual data becomes available, quarterly data are estimated using the so called complementation method. Loans between S11 and S14, are part of coverage gaps. Those could be statistically significant. Other coverage gaps are not expected to be significant.

B.1.11 Other major deviations not listed above

There are no major deviations other than the ones listed above.

B.2 CoP8 Appropriate Statistical procedures / PC8 Appropriate Statistical procedures

B.2.1 Data source map

Financial accounts are secondary statistics. This means that the compilation depends on various primary data sources collected by the CNB and other institutions. An overview of the principal data sources for the different sectors and instruments can be found in the Annex. The primary sources are very heterogeneous. Some of the primary statistics are already fully in line with the ESA 2010 methodology so they can easily be integrated in financial accounts. Other primary statistics are conceived for other purposes than the compilation of financial accounts or financial statistics in general and need more processing to align them with ESA 2010 methodology.

B.2.2 Description of procedures and methods

The data are compiled quarterly at the counterparty-instrument level. Government sector is compiled first, and all other sectors are compiled after that, using specific reports for each sector. Government sector data compilation proceeds as follows: for each instrument, there is separate procedure for compilation, based on available data sources and their quality. After the government financial accounts are compiled, vertical discrepancies with nonfinancial accounts are checked and reconciled when possible. After that, data for other sectors are compiled. From each sectors data, data concerning instruments where government is counterparty are ignored. That data points are mostly the same data, as it has been used in previous step while compiling government data. If significant differences are noticed, they are thoroughly investigated. For data concerning counterparties other than government, available data is used, and there is established hierarchy of data sources when more than one source exists.

B.2.3 Estimation of missing data

Quarterly production is considered complete, notwithstanding coverage gaps. Quarterly figures calculated from annual source data are estimated using the flow increment method with increment

flows for current quarter assumed to be same as previous quarter, and after the annual source data becomes available, quarterly figures are estimated using the complementation method.

B.2.4 Balancing procedures

Every data point in the compilation process has the creditor and debtor sector (which can be reported or estimated) associated with it, thus ensuring horizontal balance (for each financial instrument except AF.1 Monetary gold and special drawing rights, the sum of assets of all sectors is equal to the sum of liabilities of all sectors). The stock-flow equation is enforced and annual-quarterly alignment is assured by definition of compilation procedure. Vertical balancing with non-financial accounts is currently not performed.

B.2.5 Methods to align quarterly and annual data

Annual financial accounts are derived from quarterly figures. Annual flows are the sum of the four quarters and annual stocks are the amounts recorded at the end of the last quarter in the year.

C. C. STATISTICAL OUTPUT

C.1 Relevance / PC11 Relevance

At (i) international level they are part of the ‘Special Data Dissemination Standard’ of the IMF and are required for IMF ‘Article IV consultations’ of the EU Member States. In (ii) the EU, they are part of the ‘scoreboard’ of the macroeconomic imbalances procedure (MIP), and support the assessment of vulnerabilities and interconnectedness for financial stability purposes by the European Systemic Risk Board (ESRB, see its ‘risk dashboard’). For the euro area, financial accounts statistics support the Eurosystem in its tasks to define and implement the single monetary policy.

At (iii) national level, they are disseminated inside CNB, to Ministry of Finance and Bureau of Statistics.

C.2 Accuracy and reliability / PC12 Accuracy and reliability (including stability)

C.2.1 Accuracy and reliability

The financial accounts are checked quarterly during and after every production cycle regarding quality and plausibility by the compilers and/or the users. The accuracy, reliability and stability of the financial accounts depends highly on the primary data sources. No quantitative measuring of reliability is performed at the national level.

C.2.2 Internal consistency

The national financial accounts are compiled within a consistent framework. All financial instruments are built on a who-to-whom basis. Thus, by construction there are no discrepancies between assets and liabilities. The consistency between outstanding amounts, transactions, revaluations and other changes in volume are ensured. The financial accounts data transmitted to Eurostat and the ECB are internally consistent.

C.3 CoP13 Timeliness and punctuality / PC13 Timeliness (including punctuality)

C.3.1 National requirements

Publication of quarterly data usually occurs at T+108 days after the latest reference quarter. Publication of annual data usually occurs at T+4 months after the latest reference year. Revised annual data are published with every revision in quarterly data.

C.3.2 International requirements

In the EU, the ESA 2010 transmission program requires reporting of annual data at t+4 and t+9 months. The quarterly data requirements of the ECB are t+97 days (national data, for publication by the ECB from t+107).

C.4 CoP14 Coherence and comparability / PC14 Consistency and comparability

C.4.1 External consistency

In principle, financial accounts should be consistent with other related statistics. Financial accounts should be consistent with BoP/IIP, monetary statistics and government finance statistics. Consistency with government finance statistics is enforced by compilation system. Consistency with BOP/IIP has mostly been achieved, and from 2023 it is considered fully consistent. Vertical consistency with non-financial accounts is monitored but currently there are no procedures to eliminate them. Regular meetings with compilers of non-financial accounts are being held to identify most probable sources of inconsistencies.

C.4.2 Time and back data consistency

Annual back data are available from 1995. Data from 1995 to 2001 became available in October 2020. There are breaks in annual data as data coverage is incomplete in 1995-2001.

Quarterly back data are available from 2013Q1 for outstanding amounts and transactions. There are no significant breaks in the time-series of the quarterly financial accounts.

C.4.3 Consistency across frequencies

Consistency across quarterly and annual data is ensured. The quarterly and annual data are produced from the same database. For transactions, revaluations and other changes in volume the annual data are the sum of the four quarters. For outstanding amounts, the end-of-year stocks in the annual accounts are equal to the stocks at the end of the fourth quarter.

C.5 CoP15 Accessibility and clarity / PC15 Accessibility and clarity

C.5.1 Data

Only stocks are currently being published, at basic sector instrument split. It is available at: <http://www.hnb.hr/en/statistics/statistical-data/financial-accounts>

C.5.2 Metadata

No metadata is available for external users.

C.5.3 Contact name and address

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