

## The generic template for b.o.p/i.i.p. statistics as provided by Croatia (National Bank of Croatia)

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### 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 [http://www.hnb.hr/documents/20182/505925/e-zakon-hnb-75-2008\\_54-2013.pdf/2965a276-dd8f-4265-a2e2-6de3eba2428d](http://www.hnb.hr/documents/20182/505925/e-zakon-hnb-75-2008_54-2013.pdf/2965a276-dd8f-4265-a2e2-6de3eba2428d)) 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 2015 is available at [http://narodne-novine.nn.hr/clanci/sluzbeni/2015\\_02\\_21\\_435.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2015_02_21_435.html)

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

##### A.2.1 *Allocation of responsibilities*

The responsibility for collecting, processing, and disseminating the Croatian balance of payments statistics is assigned to the CNB.

##### A.2.2 *Legal basis*

According to the Foreign Exchange Act (available at <http://www.hnb.hr/propisi/zakoni-htm-pdf/e-zakon-o-deviznom-poslovanju-76-2013.pdf>), CNB is responsible for the compilation of the balance of payments statistics.

Article 49 of this Act governs the data collection for the balance of payments purposes. The Act enables the government to enact reporting regulations for specific purposes, including for compiling the balance of payments statistics for the Republic of Croatia. Accordingly, the Act specifies in detail these reporting requirements, which form the core of the balance of payments data collection system. The Act also identifies the CNB as the authority responsible

for the data collection. Moreover, the CNB, as a member of the ESCB, is allocated the task to collect information on BOP and IIP statistics on the basis of Article 2 of EU Regulation No 2533/98.

In addition, according to Article 30 of the Act on the CNB and the Regulation of the European Central Bank (ECB) concerning the consolidated balance sheet of the monetary financial institutions sector, CNB may collect statistics in the field of money and banking from all credit institutions to fulfil its tasks. Such data are also partly used for the balance of payments statistics purposes.

Although the responsibility for disseminating balance of payments statistics is not defined in the Foreign Exchange Act or in the Act on the CNB, CNB has assumed primary responsibility for this task.

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

#### *A.3.1 Advance release calendar*

An advance release calendar for Balance of payments and International investment position statistics containing quarterly release dates for the coming year is published at the CNB's web site (<http://www.hnb.hr/en/statistics/release-calendar>).

#### *A.3.2 Revision policy*

Methodological changes are communicated with the publication of new data, within the methodological notes under the respective data categories in the CNB Bulletin (available at: <http://www.hnb.hr/publikac/epublikac.htm>). Major methodological changes, such as the implementation of new Manuals, are consistently communicated and explained in detail in the CNB Bulletin. At the time of the first publication of data, users are informed of their preliminary status. Similarly, at the time of data dissemination, users are informed whenever data are revised.

Official revision policy is not yet in place but it is expected to become operational very soon.

## **B. STATISTICAL PROCESSES**

### ***B.1 CoP7 Sound methodology / PC7 Sound methodology***

#### *B.1.1 General remarks*

BOP and IIP statistics are compiled in accordance with the standards recommended in the sixth edition of the IMF's Balance of Payments and International Investment Position Manual (BPM6). Furthermore, specific compilation recommendations from relevant international bodies are observed. A detailed description of the Croatian balance of payments and international investment position compilation system can be found in the CNB Bulletin at: <http://www.hnb.hr/publikac/epublikac.htm>, within the metadata description.

### *B.1.2 Residency*

Croatian balance of payments and international investment position statistics follow the BPM6 residency concepts.

### *B.1.3 Institutional unit definition*

Resident institutional units are defined in conformity with BPM6 as those that have a centre of predominant economic interest in Croatia.

### *B.1.4 Sectorisation & sector definition and delimitation*

The classification and sectorisation used to compile Croatian balance of payments is fully in line with BPM6 (ESA 2010).

### *B.1.5 Valuation*

Transactions are normally valued using actual transaction amounts or market prices prevailing on the transaction date.

Investment income transactions cover the whole reference period and are measured on an accrual basis.

Positions are normally valued at market prices at the end of the reference period. In cases when market prices are not available for external assets and liabilities, they are valued using accounting standards that do not fully reflect the market prices (e.g. own funds at book values).

### *B.1.6 Time of recording (accrual accounting)*

Interest income is recorded on an accrual basis.

### *B.1.7 Coverage gaps & deviations*

#### *B.1.7.1 Current and capital account:*

Goods imported or exported for construction are part of the goods account. In the services component, a part of the construction services is recorded under goods since the exported/imported goods for construction cannot be identified separately.

Under travel component, the item Expenditure by seasonal and boarder workers is not compiled separately. Since the data on insurance technical reserves are insignificant, they are not compiled. Investment funds' dividends and reinvested earnings are not yet compiled.

#### *B.1.7.2 Financial account*

Investment funds' dividends and reinvested earnings are not yet compiled. Transactions between non-resident companies and their branches (unincorporated enterprises) in Croatia are fully compiled under equity instruments. The same holds true for the transactions between resident companies and their foreign branches.

### B.1.7.3 International investment position

It is possible that some reporting gaps exist for the portfolio transactions (and positions) of resident individuals that hold their financial assets in custody abroad.

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

### *B.2.1 Main features*

#### *B.2.1.1 Balance of payments*

The Croatian data collection system can be classified as a Direct Reporting System. Primarily, the compilation of Croatian balance of payments statistics is based on direct reporting by resident financial and non-financial enterprises, individuals and public authorities. The resident transactor is obliged to report on all requested transactions with non-residents. The term “transaction” is defined according to the BPM6. The quarterly information collected through the direct reporting system, is complemented by other sources, such as: (1) monthly foreign trade statistics compiled by the Croatian Bureau of Statistics (CBS) for merchandise data; (2) CNB's monetary statistics reports; (3) CNB's accounts for the reserve assets; (4) survey data on travellers for the travel item; (5) monthly custodian survey on securities holdings for portfolio investment and subsequently derived income and transactions data; (6) administrative data, and (7) partner country data (BIS statistics, CPIS, bilateral data exchange).

Croatia's annual balance of payments data are derived by aggregating quarterly data. Generally, the underlying concepts, definitions, and classifications are therefore identical across series of different periodicity.

#### *B.2.1.2 Monthly balance of payments is compiled but not disseminated nationally. International investment position*

General remarks: Croatia's international investment position is compiled on the basis of actual stock statistics. The main data sources are:

- the monthly stock statistics on the external assets and liabilities of domestic banks;
- the monthly stock statistics of investment funds;
- the quarterly statistics on direct investment positions, which are used for compiling foreign direct investment stocks;
- the monthly securities statistics for the assets of portfolio investment positions;
- reserve assets taken from the Accounting Department of the CNB;
- external assets and liabilities of domestic enterprises, households and general government arising from financial debt operations and trade credits which are normally part of external debt statistics;
- secondary / supplemental data sources (such as BIS data and custodian statistics).

These sources allow for a detailed sectoral classification.

## **C. STATISTICAL OUTPUT**

### ***C.1 CoP11 Relevance / PC11 Relevance***

At the national level, the main users of the BOP and IIP statistics are: Economic Analysis Department and Financial Accounts and Fiscal Statistics Division of the CNB, Economic Institute Zagreb, and the Croatian Bureau of Statistics.

The continuous flow of data requests and other inquiries received from different users are documented and periodically analysed to identify emerging data needs and to adapt the publication program according to these needs.

At the international level, BOP and IIP are transmitted to the ECB and Eurostat for the compilation of the European Union aggregated statistics as well as to the IMF and BIS. They are also disseminated as a part of the SDDS.

### ***C.2 CoP12 Accuracy and reliability / PC12 Accuracy and reliability (including stability)***

#### ***C.2.1 Revisions***

Revisions are being regularly made with each new quarterly dissemination.

On the current account, the most relevant revisions are usually recorded in the case of direct investment income (credits and debits). Concerning the financial account, there are usually revisions to inward and outward direct investments, portfolio investment liabilities, other investment assets and financial derivatives. These revisions are due to the availability of new data and the late or corrective reporting.

Large revisions are implemented infrequently, usually due to methodological changes or due to major data corrections.

#### ***C.2.2 Errors and omissions and integrity rules***

The available data sources and compilation methods produce negatively signed net errors and omissions which have been decreasing in recent years.

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

#### ***C.3.1 National requirements***

##### ***C.3.1.1 Balance of payments***

CNB disseminates quarterly balance of payments as well as international investment position statistics three months after the end of the reference quarter.

### *C.3.2 EU and other international requirements*

Croatia mostly meets timeliness requirements of international institutions (the ECB, Eurostat, the IMF, the WB and BIS). Occasional delays occur mostly due to technical reasons.

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

### *C.4.1 Bilateral asymmetries*

Bilateral asymmetries have been noticed but not analysed yet.

### *C.4.2 Consistency with related statistics*

BOP data is broadly consistent with the data published by the national accounts domain and with the aggregate figures on imports and exports of goods published by the Croatian Bureau of Statistics, after accounting for customary BOP/IIP corrections to these data. The comparability between BOP and national accounts is insured by the application of common definitions (BPM6 and ESA2010).

Conceptually, BOP data are consistent with external debt (ED) and IIP data, while differences in published figures may occur due to different revision practices.

### *C.4.3 “Time” and back data consistency*

Consistent time series (BPM6 methodology) are made available to the users back to 2000 as the first reference year.

### *C.4.4 Consistency across frequencies*

Croatian annual balance of payments data are derived by aggregating quarterly data. Generally, the underlying concepts, definitions and classifications are therefore identical across series of different periodicity.

## ***C.5 CoP15 Accessibility and Clarity / PC15 Accessibility and Clarity***

### *C.5.1 Data*

Croatian balance of payments statistics as well as IIP statistics are published on a quarterly basis at the CNB web site (at <http://www.hnb.hr/statistika/estatistika.htm>), three months after the end of the reference period.

Respective metadata are published in the CNB Buletin (at <http://www.hnb.hr/publikac/epublikac.htm>)

### *C.5.2 Metadata*

See previous sub-section.