

First Release

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SOCIAL PROTECTION IN REPUBLIC OF CROATIA, 2023 (ESSPROS METHODOLOGY)

In 2023, the share of social protection in the GDP of the Republic of Croatia amounted to **20.6%**, which represented a decrease of 0.3 percentage points compared to 2022. The GDP in current prices increased¹⁾ by approximately 10.4 billion euro and total social protection expenditures by approximately 1.9 billion euro.

Concerning receipts, social contributions were the most frequent ones (59.8% of all social protection receipts in 2023). General government contributions followed with 36.4%.

Social protection benefits accounted for 98.3% of total social protection expenditures in 2023. By type of social benefits, those in cash were the most frequent ones (61.4%). By characteristics, non-means-tested social protection benefits (both in cash and in kind) predominated (94.7%).

Comparing the data by social protection functions, the largest share of social benefits was spent on Sickness/Health care function (**36.0%** of all social protection benefits), followed by the Old age function (**34.3%**). The least resources were spent on the Housing function (0.0%).

Comparing the data on the share of costs for the social protection benefits in the national GDP with the EU Member States, the Republic of Croatia fell behind the EU-27 average by 6.6 percentage points in 2023. Observing the shares of social protection functions in GDP in 2023, the Old age function fell behind the EU-27 average by 4.1 percentage points, the Sickness/Health and Unemployment functions each by 0.7 percentage points, the Family/Children function by 0.5 percentage points, the Housing function by 0.4 percentage points, the Social exclusion function by 0.3 percentage points and the Disability function by 0.1 percentage point, while the Survivors function exceeded the EU-27 average by 0.2 percentage points.

Unlike the First Releases from previous years, in the present First Release it is possible to compare the reference year data with average EU-27 for the first time (in previous years it was only possible to compare a year prior to the reference year). This is the result of the Eurostat's survey Early estimates of social protection main indicators. However, comparison is now made at the level of total social protection benefits, whereas in previous years, the comparison was made at the level of total social protection expenditures, which are not yet available for EU-27 in the reference year.

Comparing the data on social protection expenditures per inhabitant with EU Member States, expressed in the purchasing power standard (PPS), the Republic of Croatia fell behind the EU-27 average by **47.0%** in 2022. According to this indicator, all social protection functions in the Republic of Croatia were below the EU average, while, observed in absolute terms, the Old age function fell behind the most.

1) The data on the [gross domestic product](#) used in this First Release have been taken over from the official web page of the [Croatian Bureau of Statistics](#)

1 TOTAL SOCIAL PROTECTION EXPENDITURES AND EXPENDITURES ON SOCIAL PROTECTION BENEFITS, BY FUNCTION AND ESSPROS SCHEMES

Mln euro

	2021	2022	2023
Total social protection expenditures	13 080,9 ¹⁾	14 134,7	16 061,5
Total expenditures on social protection benefits, by function	12 860,8 ¹⁾	13 897,5	15 787,7
Sickness/Health care	4 605,3 ¹⁾	5 132,1	5 680,0
Disability	1 145,6	1 211,3	1 427,7
Old age	4 367,0 ¹⁾	4 713,8	5 421,0
Survivors	978,1	1 044,7	1 291,8
Family/Children	1 163,5 ¹⁾	1 265,0	1 411,8
Unemployment	356,3 ¹⁾	259,5	274,3
Housing ²⁾	2,5	2,3	2,3
Social exclusion not elsewhere classified	242,4 ¹⁾	268,7	278,8
Administrative costs	202,3	218,7	253,4
Other expenditures	17,8 ¹⁾	18,6	20,4
By ESSPROS schemes			
Total expenditures on social protection benefits, by ESSPROS schemes	12 860,8 ¹⁾	13 897,5	15 787,7
Job mediation and unemployment rights	231,9	161,4	185,9
Pension insurance, first pillar	5 779,4	6 226,9	7 222,5
Pension insurance, second pillar	21,9	26,1	25,2
Basic health insurance	4 027,1 ¹⁾	4 426,3	4 940,6
Supplemental health insurance	226,3	247,5	278,7
Health protection at work	37,9	38,6	41,3
Employers' social protection ²⁾	696,2	800,5	817,6
Social welfare rights	480,4	556,2	718,2
Assistance in settling of housing costs	7,7	7,1	6,8
Assistance in settling of heating costs	3,6	3,5	3,4
Family benefits	411,3	436,9	487,2
Social welfare in City of Zagreb	236,9	242,8	260,9
Rights of Croatian Homeland war defenders and members of their families	103,2	97,5	104,3
Rights of civilian victims disabled during war and members of their families	3,4	5,2	5,9
Rights of military personnel disabled during war or peace-time period and members of their families	5,5	4,9	4,3
Other social assistance at the local level ²⁾	368,8	400,2	482,8
Social protection provided by non-profit institutions ²⁾	189,9 ¹⁾	163,6	181,2
Social protection in case of natural disasters ³⁾	29,4	52,4	20,6

1) Revised data.

2) Estimated data.

3) For interpretation of data, please see the section on collection of data on capital transfers in the notes on methodology.

Pension insurance, first pillar

The increase in total expenditures for this scheme in 2023, as compared to 2022, was mainly caused by an increase in expenditures in the Old age function due to the growth of old-age pensions, anticipated old-age pensions and lump-sum cash benefit. The increase in expenditure was also recorded in the Survivors function due to the growth of survivors' pensions and payment of partial survivors' pensions to beneficiaries of other types of pensions (means tested survivors' pensions), as well as in the Disability function due to the growth of disability pensions.

Basic health insurance

The main reason for the increase in expenditures for this scheme in 2023, as compared to 2022, was an increase in expenditures in Sickness/Health care function on in-patient medical care, medicine and out-patient medical care. The increase was also recorded in Family/Children function for salary compensation during maternity leave.

Social welfare

The main cause of the increase in expenditures for this scheme in 2023, as compared to 2022, was the increase in expenditures in the Disability function that refer to personal disability benefit, accommodation service, lump-sum cash benefit and parent-caregiver/caregiver benefit. The increase in expenditure was also recorded in the Social exclusion function due to the growth of benefit for users with difficulties in settling energy products expenditures and guaranteed minimum benefit, and in the Family/Children function due to the growth of expenditure for the accommodation of children in social welfare homes and with foster parents.

Other social assistance at the local level

The main cause of the increase in expenditures for this scheme in 2023, as compared to 2022, was the increase in expenditures in the Family/Children function that refer to the expenditures of pre-school institutions. The increase in expenditure was also recorded in Old age and Disability functions due to the growth of assistance in carrying out daily tasks.

Family benefits

The main cause of the increase in expenditures for this scheme in 2023, as compared to 2022, was the increase in expenditures in the Family/Children function that refer to salary compensation during parental leave and other maternity and parental supports.

Supplemental health insurance (Croatian health insurance fund)

The main cause of the increase in expenditures for this scheme in 2023, as compared to 2022, was the increase in expenditures in the Sickness/Health care function that refer to hospital health care and primary health care.

2 SHARE OF EACH FUNCTION IN TOTAL AMOUNT OF SOCIAL PROTECTION BENEFITS

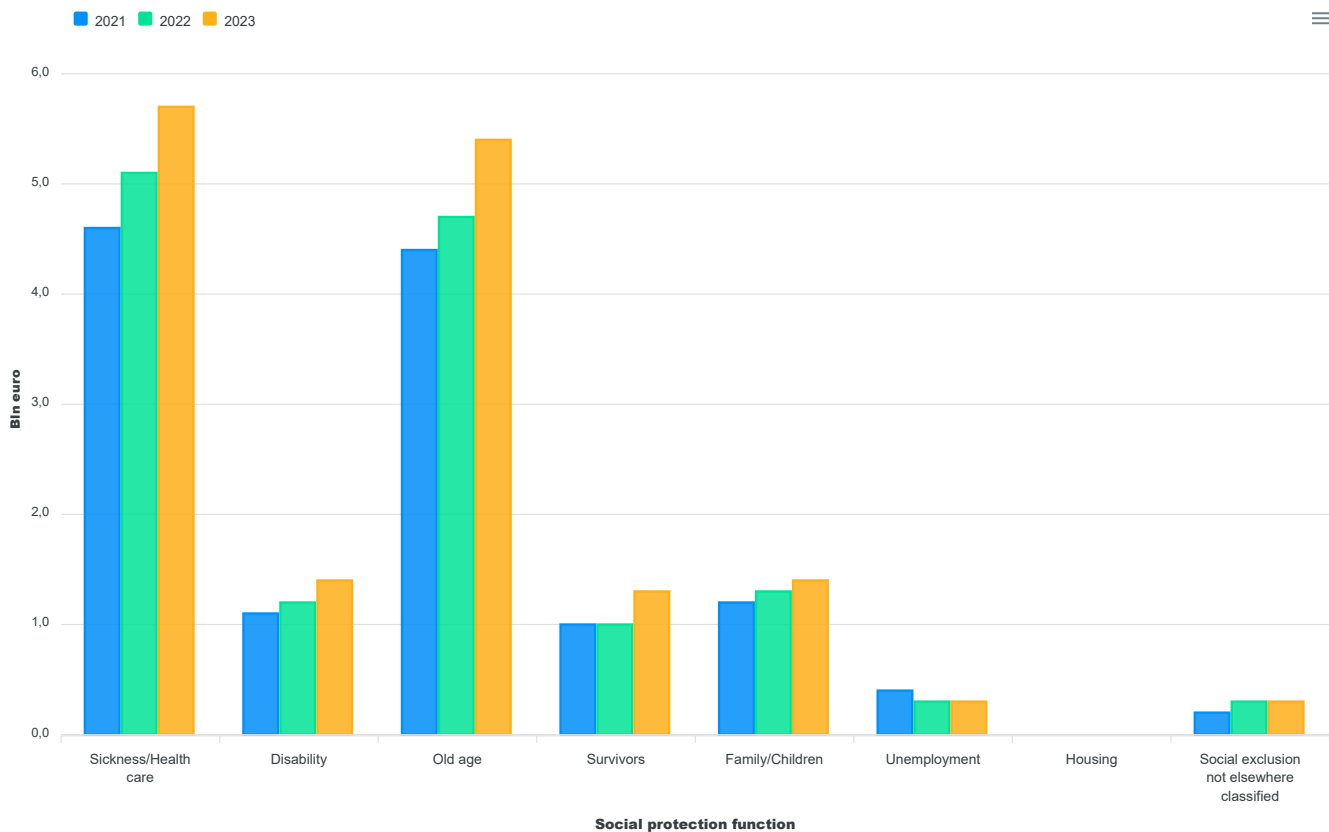
%

	2021 ¹⁾	2022	2023	EU-27, 2023 ²⁾
Total expenditures on social protection benefits	100,0	100,0	100,0	100,0
Sickness/Health care	35,8	36,9	36,0	29,9
Disability	8,9	8,7	9,0	7,1
Old age	34,0	33,9	34,3	41,2
Survivors	7,6	7,5	8,2	5,5
Family/Children	9,0	9,1	8,9	8,6
Unemployment	2,8	1,9	1,7	3,9
Housing	0,0	0,0	0,0	1,4
Social exclusion not elsewhere classified	1,9	1,9	1,8	2,4

1) Revised data.

2) Data for the EU-27 were taken over on 23 January 2025 from the table Expenditure on social protection, available on the Eurostat's official webpage <https://ec.europa.eu/eurostat/web/social-protection/database>. Data for the Republic of Croatia indicated in this table refer to provisional data, while the final data, which Eurostat subsequently publishes in line with standard procedure, was used in this First Release.

G-1 EXPENDITURES ON SOCIAL PROTECTION BENEFITS, BY FUNCTION



3 SHARE OF SOCIAL PROTECTION EXPENDITURES AND EXPENDITURES ON SOCIAL PROTECTION BENEFITS IN GDP

%

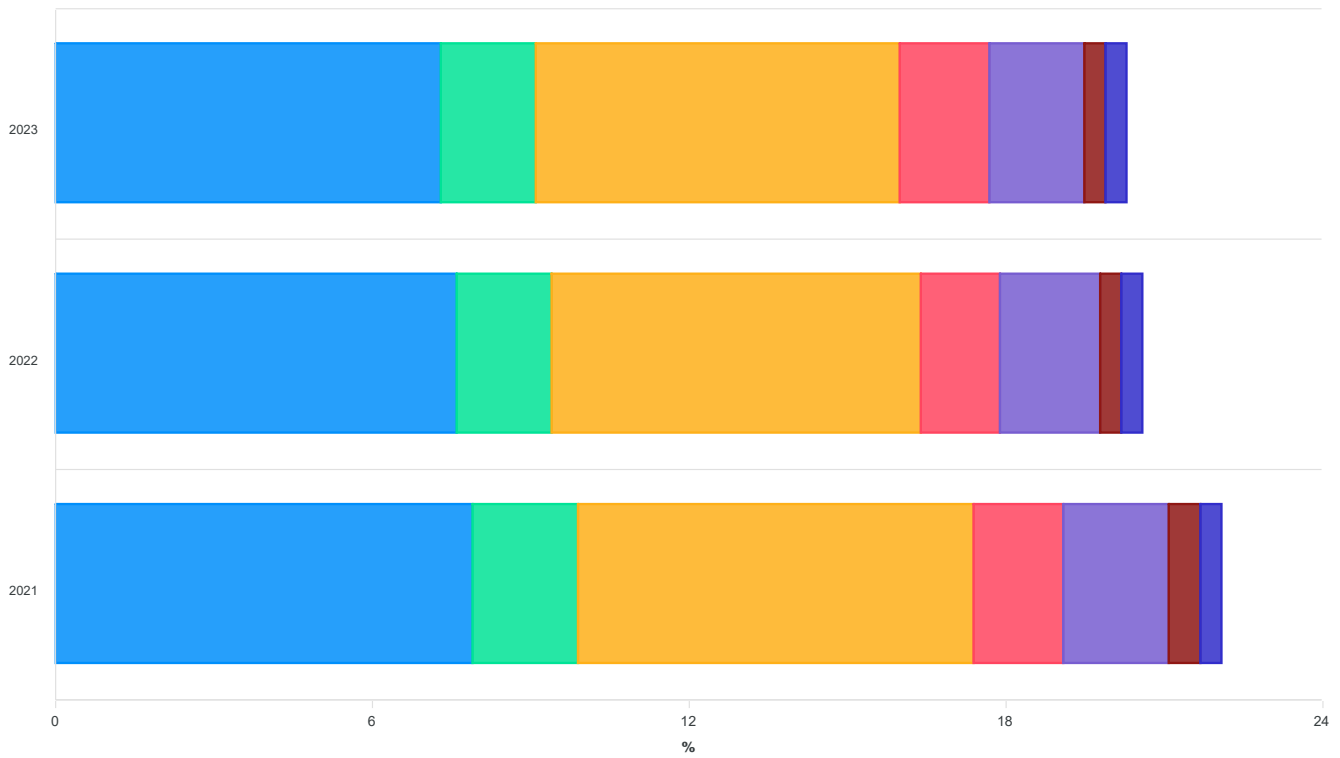
	2021 ¹⁾	2022 ¹⁾	2023	EU-27, 2023 ²⁾
Total social protection expenditures	22,4	20,9	20,6	-
Total expenditures on social protection benefits, by function	22,0	20,6	20,2	26,8
Sickness/Health care	7,9	7,6	7,3	8,0
Disability	2,0	1,8	1,8	1,9
Old age	7,5	7,0	6,9	11,0
Survivors	1,7	1,5	1,7	1,5
Family/Children	2,0	1,9	1,8	2,3
Unemployment	0,6	0,4	0,4	1,1
Housing	0,0	0,0	0,0	0,4
Social exclusion not elsewhere classified	0,4	0,4	0,4	0,7

1) Revised data.

2) Data for the EU-27 were taken over on 23 January 2025 from the table Expenditure on social protection, available on the Eurostat's official webpage <https://ec.europa.eu/eurostat/web/social-protection/database>. Data for the Republic of Croatia indicated in this table refer to provisional data, while the final data, which Eurostat subsequently publishes in line with standard procedure, was used in this First Release.

G-2 SHARE OF SOCIAL PROTECTION EXPENDITURES AND EXPENDITURES ON SOCIAL PROTECTION BENEFITS IN GDP

Sickness/Health care Disability Old age Survivors Family/Children Unemployment Housing Social exclusion not elsewhere classified



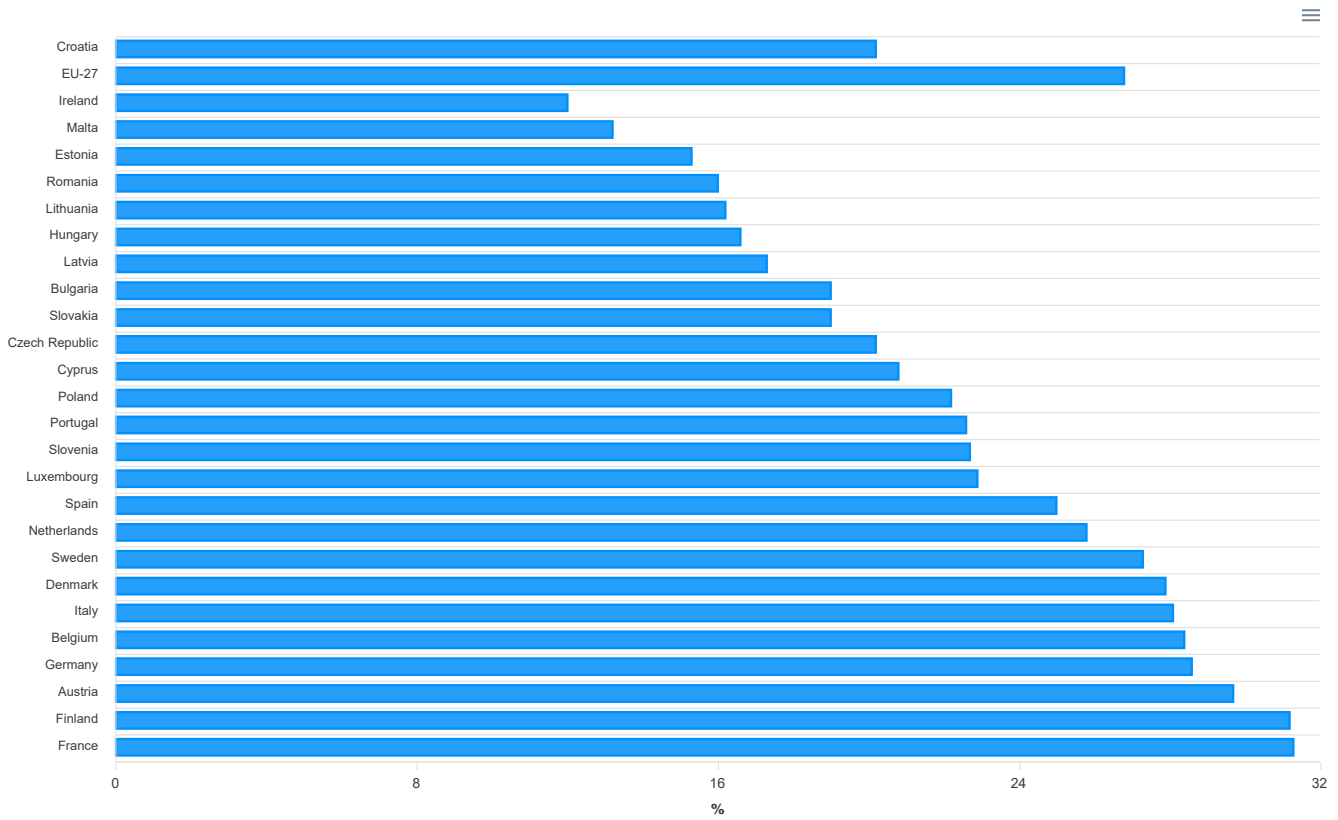
4 SOCIAL PROTECTION BENEFITS EXPENDITURES AS SHARE IN GDP, EU-27 AND REPUBLIC OF CROATIA, 2023¹⁾

%

	Social protection benefits expenditures as share in GDP
Croatia	20,2
EU-27	26,8
Ireland	12,0
Malta	13,2
Estonia	15,3
Romania	16,0
Lithuania	16,2
Hungary	16,6
Latvia	17,3
Bulgaria	19,0
Slovakia	19,0
Czech Republic	20,2
Cyprus	20,8
Poland	22,2
Portugal	22,6
Slovenia	22,7
Luxembourg	22,9
Spain	25,0
Netherlands	25,8
Sweden	27,3
Denmark	27,9
Italy	28,1
Belgium	28,4
Germany	28,6
Austria	29,7
Finland	31,2
France	31,3
Greece	-

1) Data for the EU-27 were taken over on 23 January 2025 from the table Expenditure on social protection, available on the Eurostat's official webpage <https://ec.europa.eu/eurostat/web/social-protection/database>. Data for the Republic of Croatia indicated in this table refer to provisional data, while the final data, which Eurostat subsequently publishes in line with standard procedure, was used in this First Release.

G-3 SHARE OF SOCIAL PROTECTION EXPENDITURES IN GDP, EU-27 AND REPUBLIC OF CROATIA, 2023¹⁾



1) Data for Greece are not given here, but can be consulted in Table 4 Social protection benefits expenditures as share in GDP, EU-27 and Republic of Croatia, 2023.

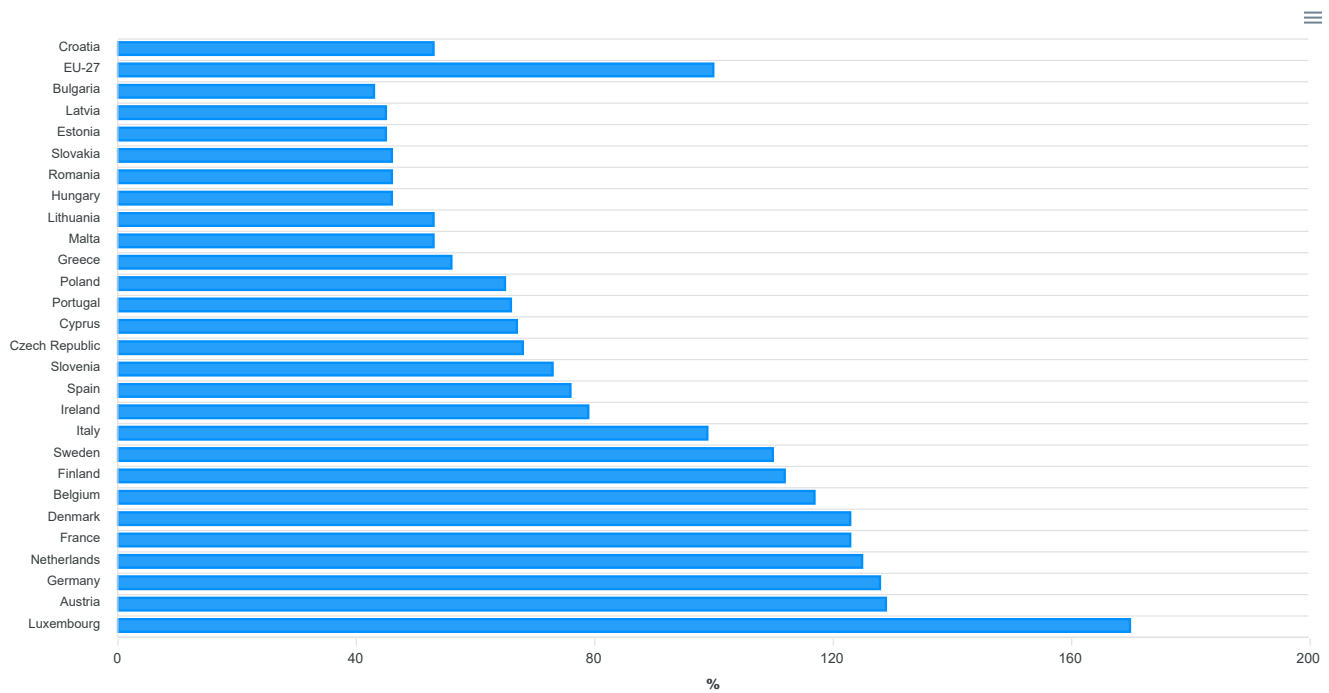
5 SOCIAL PROTECTION EXPENDITURES PER INHABITANT, CALCULATED IN PURCHASING POWER STANDARD (PPS), EU-27 AND REPUBLIC OF CROATIA, 2022¹⁾

Thousand PPS

	Social protection expenditures (PPS)	PPS per inhabitant (EU-27 = 100)
Croatia	5,3	53
EU-27	10,0	100
Bulgaria	4,4	43
Latvia	4,5	45
Estonia	4,6	45
Slovakia	4,6	46
Romania	4,6	46
Hungary	4,7	46
Lithuania	5,3	53
Malta	5,3	53
Greece	5,7	56
Poland	6,5	65
Portugal	6,7	66
Cyprus	6,8	67
Czech Republic	6,8	68
Slovenia	7,4	73
Spain	7,6	76
Ireland	7,9	79
Italy	10,0	99
Sweden	11,1	110
Finland	11,3	112
Belgium	11,7	117
Denmark	12,4	123
France	12,4	123
Netherlands	12,6	125
Germany	12,9	128
Austria	13,0	129
Luxembourg	17,1	170

1) Data were taken over on 23 January 2025 from the Eurostat's official webpage: <https://ec.europa.eu/eurostat/web/social-protection/database> .

G-4 SOCIAL PROTECTION EXPENDITURES PER INHABITANT, CALCULATED IN PURCHASING POWER STANDARD, EU-27 AND REPUBLIC OF CROATIA, 2022



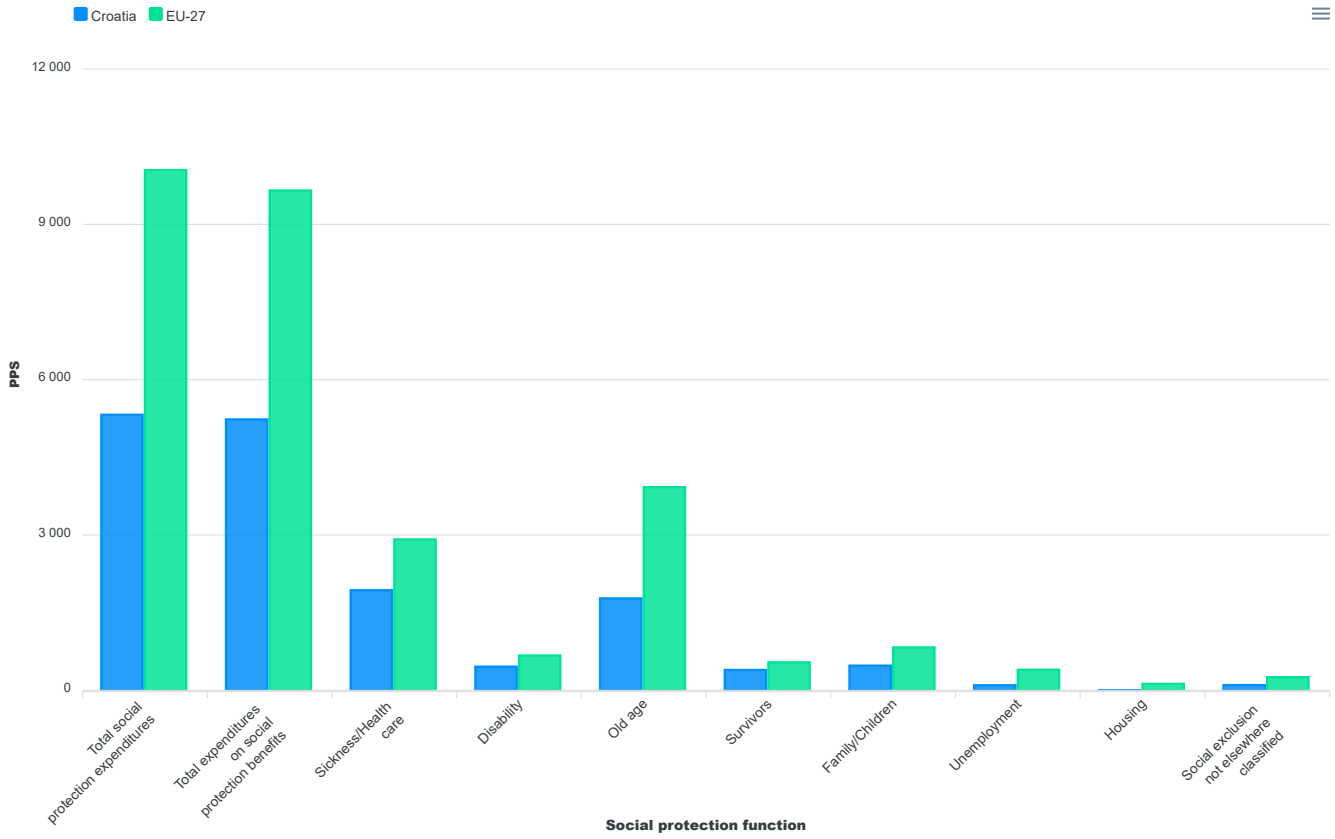
6 SOCIAL PROTECTION EXPENDITURES PER INHABITANT, EU-27 AND REPUBLIC OF CROATIA, BY SOCIAL PROTECTION FUNCTIONS, CALCULATED IN PURCHASING POWER STANDARD (PPS), 2022¹⁾

Thousand PPS

	Social protection expenditures per inhabitant in the Republic of Croatia (PPS)	Social protection expenditures per inhabitant (PPS), EU-27
Total social protection expenditures	5,3	10,0
Total expenditures on social protection benefits	5,2	9,7
Sickness/Health care	1,9	2,9
Disability	0,5	0,7
Old age	1,8	3,9
Survivors	0,4	0,5
Family/Children	0,5	0,8
Unemployment	0,1	0,4
Housing	0,0	0,1
Social exclusion not elsewhere classified	0,1	0,3

1) Data were taken over on 23 January 2025 from the Eurostat's official webpage: <https://ec.europa.eu/eurostat/web/social-protection/database>.

G-5 SOCIAL PROTECTION EXPENDITURES PER INHABITANT, EU-27 AND REPUBLIC OF CROATIA, BY SOCIAL PROTECTION FUNCTIONS, CALCULATED IN PURCHASING POWER STANDARD (PPS), 2022



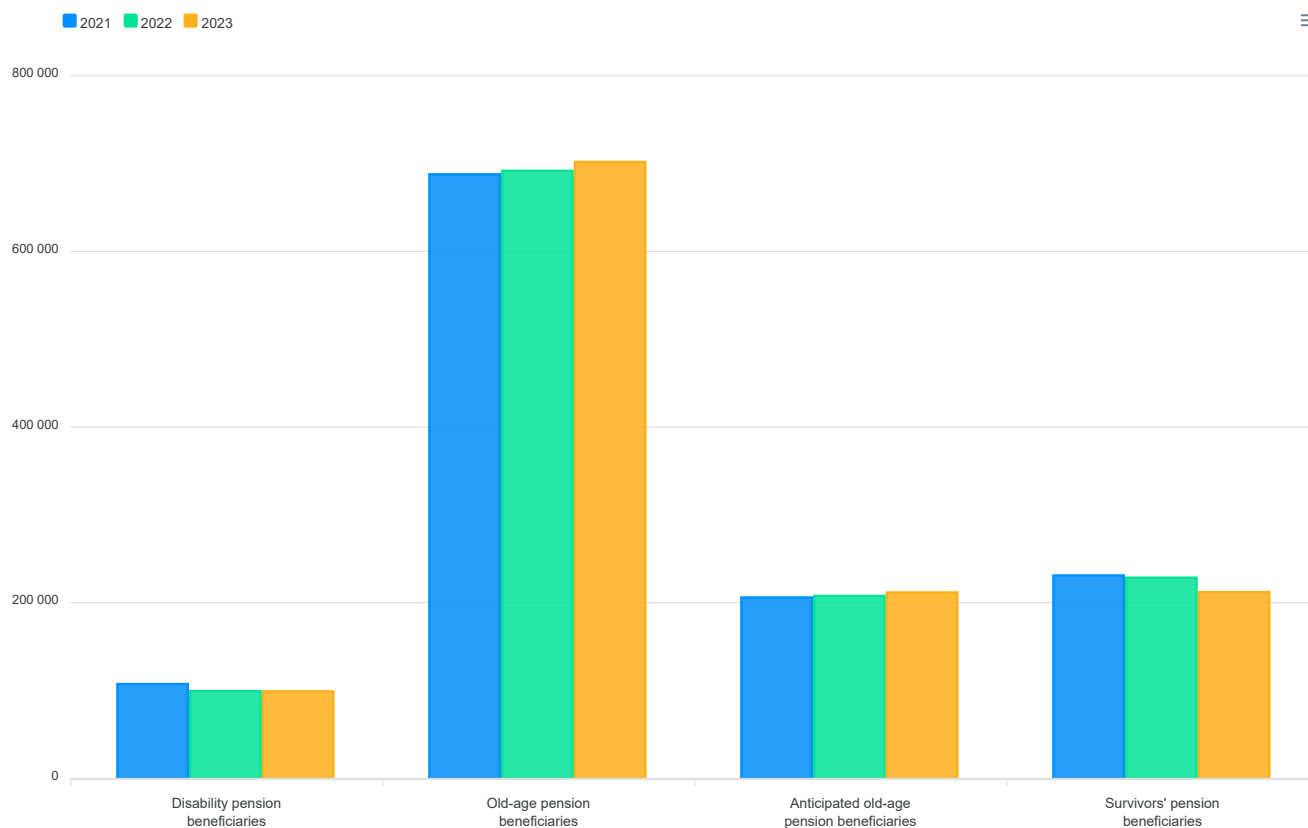
7 TOTAL NUMBER OF PENSION BENEFICIARIES, BY SOCIAL PROTECTION FUNCTIONS AND SEX

	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total number of pension beneficiaries	1 232 601	567 299	665 302	1 227 671	565 571	662 100	1 225 246	565 499	659 747
Total number of pension beneficiaries in Disability function ¹⁾	107 368	92 024	15 344	99 291	85 700	13 591	99 111 ²⁾	80 591 ²⁾	18 520 ²⁾
Disability pension beneficiaries ¹⁾	107 368	92 024	15 344	99 291	85 700	13 591	99 111 ²⁾	80 591 ²⁾	18 520 ²⁾
Total number of pension beneficiaries in Old age function ¹⁾	893 813	458 798	435 015	899 504	463 496	436 008	913 602 ²⁾	469 056 ²⁾	444 546 ²⁾
Old-age pension beneficiaries ¹⁾	687 832	358 125	329 707	691 786	363 091	328 695	701 936 ²⁾	368 880 ²⁾	333 056 ²⁾
Anticipated old-age pension beneficiaries	205 981	100 673	105 308	207 718	100 405	107 313	211 666	100 176	111 490
Total number of pension beneficiaries in Survivors function	231 059	16 257	214 802	228 497	16 143	212 354	212 148	15 617	196 531
Survivors' pension beneficiaries	231 059	16 257	214 802	228 497	16 143	212 354	212 148	15 617	196 531
Total number of pension beneficiaries in Unemployment function	361	220	141	379	232	147	385	235	150
Beneficiaries of anticipated old-age pensions due to bankruptcy of beneficiary's employer	361	220	141	379	232	147	385	235	150

1) In line with the ESSPROS methodology, disability pension beneficiaries whose age exceeds a threshold of the legal retirement age for acquiring the right to old-age pension have been transferred to the group of old-age pension beneficiaries.

2) Estimated data.

G-6 PENSION BENEFICIARIES, BY TYPE OF PENSION



NOTES ON METHODOLOGY

Data revisions within the ESSPROS survey come as a consequence of improvement of the survey scope, development of the ESSPROS methodology, harmonising the data with methodology, analysis of data quality and using new data sources.

Collection of data on capital transfers related to post-earthquake restoration or other natural disasters within the ESSPROS survey is currently a point of debate within Eurostat's expert groups. The Eurostat's latest methodological inputs from May 2024 show a tendency that such capital transfers, before inclusion in the survey, should fulfil certain conditions related to financial or social status of the recipient of such support, which differs from the previous methodological inputs which did not require additional conditions (this part of the ESSPROS methodology is still in development). This is the reason for the decrease in expenditures for the scheme 18 (Social protection in case of natural disasters) in 2023. After receiving definite methodological inputs from Eurostat, the Croatian Bureau of Statistics will conduct a data revision in this scheme for the period from 2020 to 2022, if any.

Sources and methods of data collection

Data on social protection in the Republic of Croatia presented in this First Release are collected by collecting data from reporting units and utilising administrative data sources.

Coverage and comparability

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 to provide a comprehensive and coherent description of the social protection in the EU Member States and candidate states for the membership in the European Union, financing of social benefits, and to establish a system suitable for the international comparability and harmonisation with other statistics.

The ESSPROS consists of the Core System and two modules. The Core System consists of a stable, annually collected set of data on receipts and expenditures of the social protection, while modules provide additional sets of statistical information on particular forms of the social protection.

The Core System collects, at the annual basis, data on the social protection in gross amounts (that is, before the recipient of the social protection benefit pays for them any kind of taxes, contributions or other compulsory provisions).

For the Republic of Croatia, 18 active social protection schemes have been identified and included within the ESSPROS coverage:

Active schemes

1. Job mediation and unemployment rights
2. Pension insurance – first pillar

3. Health insurance – basic
4. Health insurance – supplemental (for the time being only the 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. Employers' social protection
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
15. Rights of military personnel disabled during war or peacetime period and members of their families
16. Other social assistance at the local level
17. Social protection provided by non-profit institutions
18. Social protection in case of natural disasters.

ESSPROS Scheme 2 (General pension scheme – first pillar) encompasses all pension beneficiaries under special regulations.

The module on pension beneficiaries serves to collect information on pension beneficiaries and on characteristics of pensions.

Definitions and explanations

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, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved (intervention where the recipient of social protection is obliged to provide simultaneously something of equivalent value in exchange).

Risks or needs expressed in the ESSPROS methodology as functions of the social protection scheme that require the social protection are listed below.

Sickness/Health care – the risk of sickness comprises the maintenance of the income and support in cash in connection with a physical or mental illness, excluding disability. The health care need covers maintenance, restoration or improvement of the health of the people protected, irrespective of the origin of the disorder.

Disability covers support in cash or kind (except health care) in connection with the inability of physically or mentally disabled people to engage in economic and social activities.

Old age includes income maintenance and support in cash or kind (except health care) in connection with old age.

Survivors imply income maintenance and support in cash or kind in connection with the death of a family member.

Family/Children include support in cash or kind (except health care) in connection with the costs of pregnancy, childbirth and adoption, bringing up children and caring for other family members.

Unemployment implies income maintenance and support in cash or kind in connection with unemployment.

Housing includes assistance in settling of housing costs.

Social exclusion not elsewhere classified covers benefits in cash or kind (except health care) specifically intended to combat social exclusion where it is not covered by one of the other functions.

The function of social protection refers to the primary purpose for which social protection is provided, irrespective of legislative or institutional provisions.

The observation unit is the social protection scheme. According to the definition, the **social protection scheme** is a distinct body of rules, supported by one or more institutional units, governing the provision of social protection benefits and their financing.

The **expenditures of social protection schemes** are the following: social benefits, administration costs, transfers to other schemes and other expenditure.

Social protection benefits, as the most extensive social protection expenditure, consist of transfers, in cash or in kind, by social protection schemes to households and individuals to relieve them of the burden of the defined set of risks or needs. Social benefits refer exclusively to cash payments, reimbursements and directly provided goods and services.

Administration costs are the costs charged to the scheme for management and administration thereof.

Transfers to other schemes are unrequited payments made to other social protection schemes.

Re-routed social contributions are 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.

Other expenditure means miscellaneous expenditure by social protection schemes.

Receipts of social protection schemes are the following: social contributions, general government contributions, transfers from other schemes and other receipts.

Social contributions are the costs incurred by employers on behalf of their employees or by protected persons to secure entitlement to social benefits.

Employers' actual social contributions are payments made by employers to insurers to secure entitlement to social benefits for their employees, former employees and their dependents.

Employers' imputed social contributions are the costs incurred by employers by granting social benefits or by promising social benefits payable in future, to their employees, former employees and their dependents, without involving an autonomous insurer, and without maintaining segregated reserves for that purpose in their balance sheets.

Social contributions paid by protected persons are payments made by individuals and households to social protection schemes in order to obtain or keep the right to receive social benefits.

General government contributions are costs to general government of running government-controlled non-contributory schemes, and financial support provided by general government to other resident social protection schemes.

Transfers from other schemes mean unrequited payments received from other social protection schemes, which primarily includes social contributions re-routed from other schemes.

Other receipts include miscellaneous current receipts of social protection schemes.

Purchasing power standard (PPS) is an artificial common currency eliminating the effect of price level differences across countries. Theoretically, one PPS can buy the same amount of goods and services in each country.

Module on pension beneficiaries

Pension beneficiaries are defined as recipients of one or more periodic cash benefits of a social protection scheme falling within seven pension categories (disability pension; early retirement benefit due to reduced capacity to work; old-age pension; anticipated old-age pension; partial pension; survivors' pension; early retirement benefit due to labour market reasons), but person who receives more than one pension is counted only once – double counting is to be avoided.

Government payments to employers (including incentives related to the COVID-19 pandemic) are included in the ESSPROS survey coverage in the following cases:

- the employer retains the employees for whom they receive incentives and whom they pay salary
- the employee for whom the incentive is requested does not work a part of the working time proportionate to the amount of the incentive.

Abbreviations

bln	billion
COVID-19	COrona Vlrus Disease – 19
Eurostat	Statistical Office of the European Union
EU-27	European Union (27 Member States)
GDP	gross domestic product
mln	million
PPS	purchasing power standard

Symbols

-	no occurrence
0,0	value not zero but less than 0.05 of the unit of measure used

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