

Title: *Flows and Stocks of Fixed Residential Capital: The Croatian Experience*

Author(s): Marija Gojevic, Jukka Jalava, Ivo Šutalo, Markku Suur-Kujala

Institution/Country: Central Bureau of Statistics, Republic of Croatia; Pellervo Economic Research Institute; Central Bureau of Statistics, Republic of Croatia; Statistics Finland

This paper is about the implementation of capital stock statistics in one developing European country: Croatia. The Croatian Central Bureau of Statistics (CBS) participated in the Danish EU Cards-project (2003-2004) and part of that project was the implementation of the system of national accounts. The responsibility for the national accounts module was divided between Statistics Denmark and Statistics Finland. The objective of this still ongoing project was to create a cost efficient methodology that would be usable in creating a database of fixed assets. The conclusions of the project may be useful and interesting for national accountants facing similar challenges with capital and productivity issues.

We start by briefly going over the history of capital measurement and defining the main "ingredients" needed for a perpetual inventory model. In the empirical part we describe a pilot survey on fixed assets based on Slovenian experience which the CBS carried out in 2002 and outline the methodology used to calculate preliminary estimates of the value of dwellings.

Our goal was to implement a methodology that not only will adhere to international guidelines but that is also based on economic theory. Fixed capital is still both an important part of national wealth and a crucial factor of production.