

Indicator (definition)	<p>People at risk of poverty or social exclusion: The indicator sums up the number of persons who are at risk of poverty, severely materially deprived or living in households with very low work intensity. Persons present in several sub-indicators are only counted once. Persons at risk of poverty have an equivalised disposable income below 60 % of the national median equivalised disposable income after social transfers. Material deprivation covers indicators relating to economic strain and durables. Persons are considered living in households with very low work intensity if they are aged 0-59 and the working age members in the household worked less than 20 % of their potential during the past year.</p>
Data table code(s)	t2020_50 tsdsc100
Eurostat Unit	Living conditions and social protection Details on the Organisation plan of Eurostat under the following link .
Other Commission DGs	DG Employment, Social Affairs and Equal Opportunities
European Statistical System Working Group (WG)	Working group on Living Conditions
Date – last update of the quality profile	January 2012

1. Overall assessment of accuracy and comparability - Description of quality grades under the following [link](#).

A
 B
 C
 Indicator to be Developed

Since 2005 data is collected yearly from reliable and harmonized source (EU-Statistics on Income and Living Conditions) applying high standards with regards to the methodology and ensuring a high degree of comparability across countries. However the three sub-indicators included have some restrictions related to either accuracy or comparability over time (see details in the relevant Quality Profiles).

2. Objective and relevance of the indicator

At the European Council held on 17 June 2010, the Member states' Heads of State and Government endorsed a new EU strategy for jobs and smart, sustainable and inclusive growth, known as the Europe 2020 strategy. The strategy will help Europe to recover from the crisis and come out stronger, both internally and at the international level, by boosting competitiveness, productivity, growth potential, social cohesion and economic convergence.

The headline indicator "population at risk of poverty or social exclusion" is attached to the EU-wide objective to reduce by at least 20 million the number of Europeans exposed to poverty or social exclusion by 2020. Measuring poverty and social exclusion is difficult because it is a multidimensional concept. The headline indicator combines three sub-indicators namely the at-risk-of-poverty rate after social transfers, the severe material deprivation rate, and people living in households with very low work intensity. The total population is however not a simple arithmetic sum of its three components because of overlaps between the populations covered by the three sub-indicators.

The indicator also plays an important role in the Strategy's flagship initiative 'European platform against poverty' which aims to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and that people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society.

Restriction of the indicator's relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting

3. Data availability - Details on data availability under the [link](#) for t2020_50 and under the [link](#) for tsdsc100.

4. Overall accuracy

High

Restricted (sources, errors, methodology, etc.)

Due to the fact that for all of the sub-indicators the accuracy was assessed as restricted, the accuracy of this indicator should be considered as restricted despite the overall specifications contained in the legislative framework (Regulation (EC) No 1177/2003):

- Existence of a compulsory minimum sample size for each country;
- Common definitions of target variables;

- Imputation of missing and inaccurate values.

Standard errors are computed only for at-risk-of-poverty indicator by countries in the context of Regulation 28/2004 but are not fully comparable.

5. Comparability across countries

High Data across Member States is comparable from 2005 onwards. Comparability is an over-riding dimension of EU-SILC data quality. The framework for comparability is established in particular by Commission Regulation N° 1980/2003, which has set out standard definitions.

Restricted (sources, errors, methodology, etc.)

6. Comparability over time

High The comparability over time is assessed as high since 2005 for EU Member States. Although the comparability over time is assessed for one of the three sub-indicators as restricted, with most changes occurring between the 2007 and 2008 operation, the comparability of the global indicator can be considered as high.

Restricted (sources, errors, methodology, etc.)

7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

Continuous improvements relate to new methodology and compilation techniques used.

8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

This indicator is one of the headline indicators in the Europe 2020 strategy. It summarizes number of people who are either at risk of poverty or severely materially deprived or living in households with very low work intensity.

Relevant European legislation

The Framework Regulations:

[Regulation \(EC\) N° 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\)](#)

[Regulation \(EC\) N° 1553/2005 of European Parliament and Council amending Regulation \(EC\) N° 1177/2003 concerning Community statistics on income and living conditions \(EU-SILC\)](#)

[Regulation \(EC\) N° 1791/2006 of European Parliament and Council adapting certain Regulations and Decisions in the fields of free movement of goods, freedom of movement of persons, company law, competition policy, agriculture \(including veterinary and phytosanitary legislation\), transport policy, taxation, statistics, energy, environment, cooperation in the fields of justice and home affairs, customs union, external relations, common foreign and security policy and institutions, by reason of the accession of Bulgaria and Romania](#)

Implementing Commission Regulations:

[Commission Regulation \(EC\) N° 28/2004 implementing Regulation \(EC\) N° 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EUSILC\) as regards the detailed content of intermediate and final quality reports](#)

[Commission Regulation \(EC\) N° 676/2006 amending the Regulation \(EC\) N° 1980/2003 implementing Regulation \(EC\) N° 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards definitions and updated definitions](#)

[Regulation \(EC\) N° 1981/2003 implementing Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the fieldwork aspects and the imputation procedures](#)

[Regulation \(EC\) N° 1982/2003 implementing Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the sampling and tracing rules](#)

[Commission Regulation \(EC\) N° 1983/2003 implementing the Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the list of target primary variables.](#)

Statistical Classifications (Nomenclatures)

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