

<b>Indicator (definition)</b>	<b>People at risk-of-poverty after social transfers</b> This indicator measures the share of persons at risk of monetary poverty. Persons are at risk of poverty if their equivalised disposable income is below the risk-of-poverty threshold, which is set at 60 % of the national median after social transfers.
<b>Data table code(s)</b>	<a href="#">t2020_52</a> <a href="#">tsdsc280</a> <a href="#">tsdsc230</a> <a href="#">tsdsc240</a> <a href="#">tsdsc350</a>
<b>Eurostat Unit</b>	Living conditions and social protection Details on the Organisation plan of Eurostat under the following <a href="#">link</a> .
<b>Other Commission DGs</b>	Employment, Social Affairs and Equal Opportunities
<b>European Statistical System Working Group (WG)</b>	Working group on Living Conditions
<b>Date – last update of the quality profile</b>	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 harmonised source (EU-Statistics on Income and Living Conditions) applying high standards with regard to the methodology and ensuring a high degree of comparability across countries.

### 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 poverty issue is a milestone in the Europe 2020 strategy. One of the headline targets is 'Reduction of poverty by aiming to lift at least 20 million people out of the risk of poverty or exclusion' and "European platform against poverty" is one of the seven flagship initiatives. This flagship initiative 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.

The eradication of poverty also remains a major challenge of sustainable development, and the social dimension is one of the pillars of the EU's Sustainable Development Strategy (EU SDS).

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

This indicator does not measure wealth or poverty, but low income in comparison to other residents in that country, which does not necessarily imply a low standard of living.

### 3. Data availability – Details on data availability on the following links: for [t2020\\_52](#), for [tsdsc280](#), for [tsdsc230](#), for [tsdsc240](#) and [tsdsc350](#).

Comments (including information on time series):

The primary source of the data for 1995 to 2001 is the European Community Household Panel (ECHP) for the then 15 EU Member States (Finland joined the project in 1996) and national databases (mainly from Household Budget Surveys) for the New Member States and Candidate Countries.

Its successor – the EU-Statistics on Income and Living Conditions (EU-SILC) instrument – was launched in 2003 on the basis of a 'gentleman's agreement' in six Member States (Belgium, Denmark, Greece, Ireland, Luxembourg, and Austria) as well as in Norway. From 2005 onwards EU-SILC covered the then EU-25 Member States plus Norway and Iceland. Bulgaria and Turkey launched EU-SILC in 2006 while Romania and Switzerland began in 2007.

During the transition between the end of ECHP and the start of EU-SILC, cross-sectional data required for the calculation of the indicator were provided by the National Statistical Institutes from national sources, which implies that the time series contain breaks in series.

#### 4. Overall accuracy

- High
- Restricted  Accuracy 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. Due to transition between end-ECHP and start-EU-SILC, there are further disruptions in series between 2001 and 2005.
- 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.)

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

This indicator measures one of the headline targets in the Europe 2020 strategy (Reduction of poverty by aiming to lift at least 20 million people out of the risk of poverty or social exclusion), it is also in line with the objective of the EU SDS to create a socially inclusive society by taking into account solidarity between and within generations.

Measuring poverty is difficult since it is a multidimensional concept. Other relevant barriers to fully participating in society, such as access to the labour market, education, housing and healthcare, should be considered as well.

#### Relevant European legislation

##### *The Framework Regulations:*

Regulation (EC) N° 1177/2003 of 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) No 28/2004 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 detailed content of intermediate and final quality reports

Commission Regulation (EC) N° 676/2006 amending the regulation (EC) 1980/2003 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 definitions and updated definitions Regulation (EC) N° 1980/2003 on fieldwork aspect and 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

##### *Statistical Classifications (Nomenclatures)*

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