

# TWINNING CONTRACT

BA 15 IPA SR 01 17

## Support to the reform of the statistics system in Bosnia and Herzegovina



## STUDY VISIT REPORT

on

**Structural Business Statistics**

**Activity 2.2.3**

**Study visit to Denmark**

22-24 January

Version: Final

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## List of Abbreviations

BHAS	Agency for Statistics of Bosnia and Herzegovina
BiH	Bosnia and Herzegovina
CBBH	Central Bank of Bosnia and Herzegovina
EC	European Commission
EU	European Union
FBiH	Federation of Bosnia and Herzegovina
FIS	Institute for Statistics of Federation of Bosnia and Herzegovina
MS	EU Member State
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Adviser
ToR	Terms of Reference

## 1. General comments

This study visit report was prepared within the EU Twinning Project "Support to the reform of the statistics system in Bosnia and Herzegovina". and organised under component 2, activity 2.2.3.

The purpose of the study visit was to introduce the BiH statisticians to the production of Structural Business Statistics in Statistics Denmark and future development taking into account requirements of new regulation for business statistics.

The staff of BHAS and RSIS would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the stay in Denmark and which highly facilitated the work.

This views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of EU, BHAS, FIS, RSIS, CBBH, Statistics Denmark, INSEE, Statistics Finland and Croatian Bureau of Statistics.

## 2. Lessons Learned

The first day of the study visit participants were informed about historical development, organisational structure and strategy for development in Statistics Denmark. The main goal of Statistics Denmark is to be more present and visible in public, produce quality statistical data, improve data collection, find new sources of data and to reduce the response burden.

Administrative sources are very important for the production of official statistics in Denmark. Institutional cooperation and data exchange is on a very high level. The Danish Register Model was presented and it comprises of three main administrative registers available in Denmark: Population register, Dwellings and housing register and Business register. Use of unique identifiers in all administrative sources provide the possibility to link different registers. BiH participants recognized a huge potential for use of administrative data for statistics.

The next presentation was about Structural business statistics. Structural business statistics covers sections I-IV of SBS and represents important a basis for National Accounts and FATS statistics. The production of structural business statistics is based on combining administrative data with survey data. Main SBS variables come from financial statements at enterprise level. For other variables, two questionnaires are used for data collection (enterprise and kind of activity level). The sample is selected using NACE code, legal form and number of persons employed. Approximately 8.000 enterprises are obliged to deliver detailed accounting information. To ensure a good quality of data, controls are performed using absolute control (find wrong data) and reasonable control (check dubious data). This presentation was very interesting for BiH participants due to the fact that the method for the production of SBS data in BiH was changed for the year 2017. Currently, data for SBS is produced using administrative data and survey data.

The presentation on Statistical business register was focused on data providers, a data model of the Danish SBR and the use of the SBR. Main sources for updating SBR are Danish Business Authority and Central Customs and Tax Administration. Data on the legal unit and local legal unit are received from administrative sources and replicated on the enterprise and local unit in SBR. SBR is

also updated by information from different statistical divisions. SBR is a frame for more than 100 different statistics. In order to improve the quality of the data in SBR, controls, consistency and coherence of data is performed. Also, collaboration with various statistics sections and feedback from the respondents is very important. Statistical institutions in BiH use a similar data model of SBR.

The second day of the study visit was dedicated to Large Case Units, profiling and consistency. Statistics Denmark has organized a special unit within the department for SBS which deals with large units. Data for large units is very important for statistics due to their size and global structure. This requires detailed analysis of data including data profiling and data consistency work. Understanding of the structure of enterprise groups is crucial for establishing the statistical units within that group. The wrong picture of statistical units can create inconsistencies of data at micro-level. Some examples of the large units in Denmark were presented. This was very helpful having in mind the statistical importance of these units.

Through the last presentation on second day of the study visit we were introduced to the European frame for quality and main principles for quality output. The implementation of the new quality reporting system in Statistics Denmark was presented. This new system which is based on Colectica is common for all statistics domains in Statistics Denmark. Quality reporting follows SIMS (Single Integrated Metadata Structure) and requires that all fields of SIMS should be completed. Organization of quality reporting in this way creates a framework where each concept is only reported once and can be used many times. From this structure, it is possible to obtain both the user-oriented report and producer-oriented report. The national quality reports in BiH are based on SIMS but adjusted to local conditions. BiH has more focus on producer-oriented reports while Statistics Denmark is more focus on user-oriented reports.

The third day of the study visit was reserved for the future development of SBS under FRIBS (Framework Regulation on Integrated Business Statistics). Implementation of the new regulation FRIBS which merges 11 current legislations into one framework regulation is a challenge for all statistical institutions. Globalization increases firm heterogeneity and new ways of organising the production process across borders. It requires an introduction of new concepts, e.g. Global Value Chains, business functions and needs for firm level analysis. The main task for statistical institutions is how to measure enterprise relations. One example of the Core business function and Support business functions was presented. It was very interesting to see the movement of business functions. In order to decrease the burden of the statistical unit, it is necessary to link data from different data sets and statistical domains at the relevant unit level.

One of the topics was publication of data. User needs are in focus and high priority is given to the news media. Some users have trouble to find and understand documentation. To ensure easier access to data, Statistics Denmark puts more attention on visualization and key figures.

Through this presentation, we became more familiar with modern ways of publication of data.

### **3. Conclusions and recommendations**

1. The study visit was a good opportunity for the participants to obtain knowledge about the production of SBS in Statistics Denmark
2. It is important to increase the use of administrative data for statistical production and in that way reduce the burden on reporting units and statisticians and at the same time improving the quality of the produced statistics in Bosnia and Herzegovina
3. The study visit provided an opportunity to be more familiar with methodological and practical work for dealing with new challenges in the production of statistics that come from globalization.
4. The experience gained from this SV will help in the future development of SBS in BiH

#### **Actions needed for moving forward**

1. Good cooperation with all providers of administrative data is a precondition for using administrative data in the production of official statistics
2. It is important to start with preparing activities for the implementation of the new regulation FRIBS
3. In order to ensure that the user's needs are met, quality reports for every statistical product should be provided.
4. It is necessary to think about new ways of publishing data, to make publications more digital (visual and interactive, easy to share).

## Annex 1. Programme

### **Tuesday 22 January 2019**

**Venue: Styrelseslokalet**

09.30 - 10.30	Welcome and introduction to Statistics Denmark	Charlotte Juul Hansen
10.30 - 12.00	SBS, account statistics	Jesper Moltrup Nielsen, Charlotte Hansen
12.00 - 13.00	<i>Lunch</i>	Charlotte Juul Hansen
13.00 - 15.00	SBR	Steen Eiberg Jørgensen, Birgit Nielsen
15.00 - 15.30	Reflection on lessons learned and application in BiH	Beneficiary institutions & Charlotte Juul Hansen

### **Wednesday 23 January 2019**

**Venue: 2346-O**

09.30 - 12.00	Large Case Units, profiling and consistency	Søren Kristensen
12.00 - 13.00	<i>Lunch</i>	Charlotte Juul Hansen
13.00 - 15.00	Quality	Karin Blix
15.00 - 15.30	Reflection on lessons learned and application in BiH	Beneficiary institutions & Charlotte Juul Hansen

### **Thursday 24 January 2019**

**Venue: Styrelseslokalet**

10.00 - 12.00	Future requirements - FRIBS, Globalisation and statistics on SMEs	Peter Bøegh Nielsen
12.00 - 13.00	<i>Lunch</i>	
13.00 - 14:30	Communication and dissemination	Marianne Mackie
14.30 - 15.15	Reflection on lessons learned and application in BiH, next steps, evaluation of the study visit	Beneficiary institutions & Charlotte Juul Hansen

## **Annex 2. Persons met**

### **Agency for Statistics of Bosnia-Herzegovina**

- Tima Karačić (Structural business statistics)
- Bojana Cicović (Structural business statistics)
- Jasna Isaković (Methodology)
- Ševala Abaz (IT)

### **Institute for Statistics of Republika Srpska**

- Danica Babić (Structural business statistics)
- Slađana Nikić (Structural business statistics)
- Milka Ciganović (National Accounts - Gross domestic product by expenditure approach)
- Darko Gajić (IT)

### **Twinning Project**

- Djemka Šahinpašić, Interpreter

### **Statistics Denmark**

- Charlotte Juul Hansen, Senior Adviser, International Consulting Unit
- Jesper Moltrup Nielsen, Senior Adviser, Business Dynamics
- Søren Kühl Andersen, Head of Division, Business Dynamics
- Charlotte Hansen, Senior Adviser, Business Dynamics
- Steen Eiberg Jørgensen, Deputy Head of Division, Business Data Collection and Registers
- Birgit Nielsen, Senior Adviser, Business Data Collection and Registers
- Søren Kristensen, Chief Adviser, Business Dynamics
- Karin Blix, Chief Adviser, Quality Unit
- Peter Bøegh Nielsen, Chief Adviser, Business Dynamics
- Marianne Mackie, Senior Adviser, Communication