

TWINNING CONTRACT

BA 17 IPA ST 01 20



Further Support to the Reform of Statistics System in Bosnia and Herzegovina



MISSION REPORT

Activity 3.C: Administrative data sources Component 3 - Administrative Data Sources

Mission carried out by
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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
RS	Republika Srpska
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Adviser
ToR	Terms of Reference

1. General comments

This mission report was prepared within the EU Twinning Project "Further Support to the Reform of the Statistics System in Bosnia and Herzegovina". It was the third mission devoted to the use of administrative data - Component 3 of the project.

The purposes of the mission were:

- Update the progress made since the last meeting
- Update and reschedule the workplan
- Preparation of ToR for next activity

The consultant would like to express their thanks to all officials and individuals from Bosnia and Herzegovina met for the kind support and valuable information, and which highly facilitated the work of the consultant.

This views and observations stated in this report are those of the consultants and do not necessarily correspond to the views of EU, BHAS, FIS, RSIS, CBBH, Statistics Denmark, Statistics Finland, Statistics Sweden, and The Italian National Institute of Statistics.

2. Assessment and results

The third mission was attended by representatives from the Agency for Statistics of Bosnia and Herzegovina (BHAS), Institute for Statistics of Republika Srpska (RSIS) and Institute for Statistics of Federation of Bosnia and Herzegovina (FIS).

This was the first on-site mission in this component. At the previous mission in March and in the two in-between meetings in April and May, the agenda for this mission was agreed upon by all representatives. It was agreed that the main topics would be the use of the VAT for STS statistics and administrative data for environmental statistics. In relation to the latter, it was also agreed to organize a meeting with the FBiH Environment Protection Fund.

A short briefing was held at the beginning of the mission where BC representatives informed the consultants that the inventory of available administrative information was updated. The consultants took this into account and it was agreed that the inventory will be completed at the end of this project. The working plan was also updated.

It was noted that due to the covid pandemic it is obvious that the project has delays and could not have worked properly. At the time of the mission the project will last for another nine months, up to March 2023. However, it is possible that the project will be extended.

During the mission experts of both MS countries presented their experiences in two different statistical domain:

- 1) use of administrative data for Environmental-Economic Accounting (EEA) in Denmark, and
- 2) use of VAT data in compiling STS indices in Finland.

These presentations were given remotely with simultaneous interpretation.

A joint meeting was held between the statistical agencies and FBiH Environment Protection Fund on Thursday afternoon.

Use of the VAT data

Regarding the use of VAT data, the main problem is accessibility of data: BHAS has access to VAT data covering BiH but is not allowed to share the data with the entity statistical institutions (RSIS and FIS). On the other hand, the entity statistical institutions make a survey-based data collection for the compilation of STS indices, but they are not allowed to share the data with BHAS.

However, some comparisons between data from both sources (survey and admin data) has been done, and at the higher aggregated NACE level the results are promising. In the discussions during the presentation on the use of VAT data, BC experts explained that in BiH companies have to report VAT data to tax authorities in ten days after the reporting month has ended. I.e. for the month of May 2022, a company has to complete its tax report before June 10, 2022. This deadline is very short compared to the MS countries. Failure to provide VAT information within the specified timeframe may result in fines. In theory, the high actuality of the data provides excellent possibilities to produce quick indices on STS statistics. In addition, BC experts informed that revisions are very small due the high quality of the first reports from the companies.

According to BC experts the goal is to produce STS indices on a monthly basis using VAT data this year. Even though comparisons have been made, there is still need for more detailed comparison of data from two data sources (admin and survey). The purpose is to develop methods for combining survey and admin data and to upgrade the existing statistical production process. To achieve this task, the BC experts expressed the wish to receive additional support from experts from MS countries. The consultants suggested that planning should start with a description of the current process, a description of the target state, and a description of the challenges and barriers to achieving the target state. This includes a concise description of the currently possible data transactions between BHAS, RSIS, and FIS, both regarding administrative data (governed by BHAS) and survey data (governed by RSIS and FIS).

Use of data from FBiH Environment Protection Fund

The meeting was held between representatives of the statistical institutions and FBiH Environment Protection Fund, and the topic was possibilities for further improvement of co-operation. Both sides expressed their willingness and commitment to continue a good co-operation in the future. Representatives of FBiH Environment Protection Fund expressed their willingness to share data with the statistical institutions for specified statistical purposes. In the following period it was suggested to establish a written agreement stating the specific content of data exchange. The agreement could have the form of a memorandum of understanding and ideally be signed by the top management from both sides.

Content of the next mission

Regarding the success of the current project, there was a shared view, that to achieve sustainable results on the use of administrative sources for statistical purposes, co-operation between and explicit support from the top management of the different statistical institutions is direly needed.

Therefore, it was suggested that the next mission could focus on raising awareness: to provide presentations from different statistical domains that would serve as examples for the use of administrative data sources for statistical purposes. The audience would consist of both a higher level of management and experts. After that, the aim is to set up appropriate working groups to draw up plans for the use of administrative sources in each statistical area. Based on this work, the road map could be established. This work would be an input for the following IPA 2019 project.

3. Conclusions and recommendations

BHAS, FIS, and RSIS all indicated a strong will in moving towards increased use of administrative data for statistical purposes. At the meeting with FBiH Environmental Protection Fund, the already existing good co-operation between BHAS and FBiH Environmental Protection Fund was highlighted. Representatives from FBiH Environmental Protection Fund emphasized their will to share the data owned by them for statistical purposes. However, the cooperation between the parties should be formalized and a memorandum of understanding drawn up.

Following tasks were discussed:

- 1) Next mission will be organised in September or October. Focus will be on raising the awareness: to provide presentations from different statistical domains that would serve as examples for the use of administrative data for statistical purposes
- 2) After next mission, the aim is to set up appropriate working groups to draw up plans for the use of administrative sources in different statistical areas.
- 3) In the follow-up mission, the road map should be established. This work would be the input for preparing ToR for the following IPA 2019 project.
- 4) At least two missions on using VAT data will be needed to achieve the goal that BC country has set up (STS indices on a monthly basis using VAT data before end of 2022).

Actions needed for moving forward as well as for preparing the next mission –add rows as needed.

Action	Deadline	Responsible person
Prepare information regarding current state of production system for STS including current use of survey and admin data, respectively	End of June	BC
Fix date and length for next mission (September/October)	End of June	RTA (input from BS and MS)
Put forward list of topics/domains that should ideally be presented during next mission	End of June	BC
Establish which topics/domains will be covered during next mission	End of August	MS + BC
Inform management about which topics/domains will be presented during next mission, and possibly ask them to “save the date”	Beginning of September	BC

Annex 1: Terms of Reference for the current mission

Terms of Reference

EU Twinning Project BA 17 IPA ST 01 20

Component 3 - Administrative Data Sources

Activity: 3C

8th – 10th June 2022

Venue: Sarajevo, BHAS

Activity 3C: Administrative data sources

1. Mandatory result

The component 3 – Administrative Data Sources has one result: An Inventory of administrative sources for all statistical domains prepared.

The way towards the result is assumed to be:

- Current status of availability and use of administrative data
- Identify relevant sources of administrative data at different levels of government
- Develop an inventory of administrative sources
- Establish criteria for when administrative data can be used for statistical purposes ~fit for use
- Developing methods for use of administrative data
- Train staff on how to evaluate suitability and quality of administrative data
- From the inventory of administrative sources build a list of sources that in short to medium term can be used by the statistical system
- Defines protocols for regular data transfers
- Discuss security, confidentiality and privacy issues arising from the exchange of administrative data from the data owners to the actors of the national statistical system
- Identify one or two statistics that can be used as pilot
- Pilot transfer and test production

It is expected that one or two statistical areas can be identified for pilots / case study to provide a business case for the use of administrative data.

Indicator / Relevant Milestones / Internal deadlines:

- Inventory of administrative sources available

2. Purpose of the activity

- Present and update current status of availability and use of administrative data in BiH
- Present the best practices of MS countries using administrative sources for statistics in selected statistical areas
- Organise a meeting with Environment Protection Fund (defining scope of cooperation, technical aspects)
- Update the work plan
- Preparation of ToR for the next activity

3. Expected output of the activity

- Presentations of the best practices of MS countries using administrative sources for statistics in selected statistical areas
- Meeting with Environment Protection Fund
- Updated work plan
- Mission report
- ToR for the next activity (if possible including (tentative) time schedule)

Annex 2. Agenda of the mission

Agenda				
Location: Sarajevo, BHAS				
Time	Day	Place	Event	Purpose/Details
Wednesday 8th June				
9:00-10:00	8th June	Hotel	RTA and MS experts	Preparation of activity
10:00-12:00			Meeting with BC Experts	Present and update current status of availability and use of administrative data in BiH
12:00-13:00			Lunch time	
13:00-15:00			Meeting with BC Experts	Experiences with the Danish Environmental Protection Agency with special emphasis on waste statistics presented by Ingeborg Vind online
15:00-16:00			Meeting with BC Experts	
Thursday 9th June				
9:00-11:00	9 th June	BHAS	Meeting with BC Experts	Introduce Statistics Finland's practices on the use of VAT data and discuss the issue with participants from their perspective presented by Ulla Virtanen online
11:00-12:00	9 th June		Meeting with BC Experts	
12:00-13:00	9 th June		Lunch time	
13:00-15:00	9 th June	BHAS	Meeting with Environment Protection Fund	Discuss on the use of the data owned by Environment Protection Fund for statistical purposes, defining the scope of co-operation etc)
15:00-16:00	9 th June		Meeting with BC Experts	
Friday 10th June				
9:00-12:00	10 th June	BHAS	Meeting with BC Experts	Conclusions, planning of future work and mission reporting

Annex 3. Persons met

BHAS:

Fahir Kanlić
Alen Bajramović

FIS:

Ademira Veličanin

RSIS:

Sanela Borojević
Jelena Glamocika

MS experts:

Kaija Ruotsalainen, Statistics Finland
Ulla Virtanen, Statistics Finland (online)
Peter Stoltze, Statistics Denmark
Ingeborg Vind, Statistics Denmark (online)

RTA Team:

Niels Madsen
Larisa Muslimović

Haris Imamovic, Interpreter

Annex 4. Work plan, updated 10.6.2022

MAIN ACTIVITY	COMPONENTS OF MAIN ACTIVITY*	DATE OF REALIZATION**	Status 6/2022	RESPONSIBLE INSTITUTIONS	MS expert support needed? [Y/N]
INVENTORY OF ADMINISTRATIVE DATA SOURCES	Current status of availability and use of administrative data. Draft inventory list prepared.	End of September 2021	Done	BHAS, RSIS, FIS	
	Identify new relevant sources of administrative data at different levels of government	End of April 2022	Done	BHAS, RSIS, FIS	
	Road map of administrative data sources that will be used by the statistical system (2-5 years)	End of November 2022	Initiated	BHAS, RSIS, FIS	Y
	Final inventory of administrative data sources prepared.	End of the Project		BHAS, RSIS, FIS	Y
METHODOLOGY FOR USE OF ADMINISTRATIVE DATA FOR STATISTICAL PURPOSES	Establish criteria for using administrative data for statistical purposes	End of November 2022	Initiated	BHAS, RSIS, FIS	Y
	Development of methods for use of administrative data	End of November 2022	Initiated	BHAS, RSIS, FIS	Y

	Training of staff on how to evaluate suitability and quality of administrative data	End of February 2023	Initiated	BHAS, RSIS, FIS	Y
	Identification of admin data source to be used for test production of official statistics (VAT data for STS statistics)	End of April 2022	Done	BHAS, RSIS, FIS	N
	Documentation on security, confidentiality and privacy issues prepared.	End of the Project	Initiated	BHAS, RSIS, FIS	Y
	Development of protocols for regular data transfers.				Y
	Preparation of IT request for use of administrative data sources into regular statistical production process	End of the Project		BHAS, RSIS, FIS	Y
	Establishment of permanent Working group for administrative data sources	xx.xx.xxxx	Initiated	BHAS, RSIS, FIS + RTA	Y
PILOT ON NEW ADMINISTRATIVE DATA SOURCE FOR STATISTICAL PURPOSES	Identify one or two statistics that can be used as pilot	End of May 2022	Initiated	BHAS, RSIS, FIS	
	Preparation of activity plan	xx.xx.xxxx		BHAS, RSIS, FIS	

	with timetable for pilot				
	Agreement on data exchange	xx.xx.xxxx		BHAS, RSIS, FIS	
	Pilot transfer and test production	End of the Project		BHAS, RSIS, FIS	

*Activities proposed in this plan could be changed during the IPA Project implementation

**Proposed dates are provisional