

TWINNING CONTRACT

BA 17 IPA ST 01 20



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



MISSION REPORT

Activity 1.2 C: Structural Business Statistics – Section K
Component 1.2 – Structural Business Statistics

Mission carried out by
Søren Kühl Andersen, Statistics Denmark
Kalle Emil Holst Hansen, Statistics Denmark
Mads Tygesen, Statistics Denmark

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Version: Final

Expert contact information

*Søren Kühl Andersen,
Statistics Denmark
Copenhagen, Denmark
Tel: +4522260436
Email: ska@dst.dk*

*Kalle Emil Holst Hansen,
Statistics Denmark
Copenhagen, Denmark
Tel: +4521584887
Email: khs@dst.dk*

*Mads Tygesen,
Statistics Denmark
Copenhagen, Denmark
Tel: +4529622887
Email: mty@dst.dk*

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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 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 to be devoted to the Structural Business Statistics Component of the Project.

The purposes of the mission were:

- MS presentation on how Section K is compiled in Statistics Denmark
- MS presentation on best EU practice for the compilation of Section K
- Discussion on how Section K can be compiled in BiH

The consultants 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 consultants.

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, Statistics Finland, Statistics Sweden or The Italian National Institute of Statistics.

2. Assessment and results

The first part of the mission included follow-ups on previous missions. BC presented results from the work on the multi-annual SBS variables. These variables break down certain SBS variables by activity within NACE classes. It is the assessment of the MS experts that there is good progress and that the recommendations from the first mission have been followed and implemented.

There were fruitful discussions regarding the data quality, error checking and the types of errors made by the reporting companies. An important example are construction companies who have a tendency to report sub-contracting work as service activity, which it is not, when it comes to classifying the activity according to NACE rev. 2.

BC seems satisfied with the progress and confident that the data is a solid foundation of calculating the multiannual variables.

BC also presented work on the regional variables, for which information on local units is essential. At the moment there is good data regarding the existing local units, including their activity codes and geographical location. However, there is no sufficient data regarding employment on the local unit level, so the methods recommended during the second mission will have to be applied.

BC presented the progress applying this method, which seems a tedious task with a lot of manual work for each legal unit with more than one local unit. MS experts presented a more efficient way to implement the method for distributing employment from the legal units to the underlying local units.

The second and the main part of the mission regarded section K and its inclusion in SBS deliverables. MS experts presented the methods used, including data sources, for the 2021 submission as well as reflections on the methods to be used for future compilations. Section K is in many ways completely different from the other areas of the SBS and there is still work in progress regarding the section-

specific definitions of the variables. For the 2021 compilation Denmark has chosen to use data from National Accounts, and the reasons for this were presented to the BC experts.

MS experts gave a thorough introduction to the current discussions on EU level as well as the experts' view on the variable inconsistencies between SBS and National Accounts when it comes to section K.

MS experts also presents a selection of 2021 results, comparing the section K in different countries in the EU.

Finally, there were fruitful discussions on the possible data sources for compiling section K in BiH, and experts from RSIS presented their findings including specific marginal cases and other topics for discussion. Experts from FIS and BHAS also gave useful information on possible data sources regarding Section K companies based in FBiH and Brčko District.

It seems to be possible to gain access to comparable data across the entities, and it is the assessment of the MS experts that there is a good basis for working on the inclusion of section K in the production of SBS variables in BiH.

3. Conclusions and recommendations

Three activities have taken place during this project within subcomponent 1.2 – Structural Business Statistics: One online mission regarding multiannual SBS variables, one mission in Sarajevo regarding regional SBS variables and this third and final mission regarding section K's inclusion in SBS in Banja Luka.

As stated above there has been good progress during the project period. The work with multiannual and regional variables can continue, although it should be noted, that the work on regional variables could have a lower priority in BiH as long as there is no agreement regarding the NUTS levels of BiH.

Regarding section K, BC experts can now continue to explore the data sources and the treatment of data for the different types of activities in section K. There are plans to include missions regarding section K in a project starting in 2024, and during these it will be possible to give more hands-on recommendation and consultation.

4. What to do before the next mission for the BC Counterpart

As the project is ending now, there is no next mission as such. However, prior to a new mission in the next project, it is important that BC experts have hands-on experience with data regarding section K, so that future MS experts can give concrete recommendations.

Annex 1. Terms of Reference for the current mission

Terms of Reference

EU Twinning Project BA 17 IPA ST 01 20

**Component 1.2 – Structural Business Statistics
05 (10:00 hours) -07 (15:30 hours) December 2023**

Venue: Republika Srpska Institute of Statistics – Vladike Platona bb, Banja Luka

Activity 1.2C: Structural Business Statistics – Section K

1. Mandatory result

The subcomponent on Structural Business Statistics has the following objectives and Indicators/ Relevant Milestones / Internal deadlines:

Component 1: Business Statistics' capacities increased and strengthened		
Objective as in Twinning Fiche	Indicator / Relevant Milestones / Internal deadlines	Status
Sub-result 1.2 Structural Business Statistics (SBS)' variables for Section K developed according to the (new) FRIBS regulation and missing characteristics for Annexes I-IV integrated	Variables for Section K and missing variables published and delivered to Eurostat	
1.2.1 New EU regulation (FRIBS) in Section K implemented		
1.2.2 Multiannual and regional characteristics for Annexes I-IV integrated		

Note: The above is as stated in the Twinning Fiche. The European Business Statistical Manual (EBS) has since the Fiche (project specification) was formulated replaced FRIBS. Therefore, new FRIBS equals EBS.

2. Purpose of the activity:

- MS presentation on how Section K is compiled in Statistics Denmark
- MS presentation on best EU practice for the compilation of Section K
- Discussion on how Section K can be compiled in BiH

3. Expected output of the activity:

That the BC experts have gained inspiration on how to compile Section K variables for SBS in BiH

4. Participants: *(expected)*

Agency for Statistics of BiH (BHAS)

- Bojana Cicovic, Head of Department for Structural Business Statistics
- Haris Buljugić, Junior statistician, SBS Department

Institute for Statistics of Federation of BiH (FIS)

- Alma Čolpa, Senior adviser for SBS
- Aida Halilović, Senior adviser for SBS

Institute for Statistics of Republika Srpska (RSIS)

- Slađana Nikić, Senior Statistician
- Danica Babic, Senior Statistician

MS Experts

- Søren Kühl Andersen, Head of Division, Statistics Denmark
- Kalle Emil Holst Hansen, Senior Adviser, Statistics Denmark
- Mads Tygesen, Senior Adviser, Statistics Denmark

Twinning Team

- Niels Madsen, RTA
- Larisa Muslimovic, RTA Assistant,
- Svetlana Prastalo, Interpreter

Annex 2. Persons met

BHAS:

Bojana Cicovic, Head of Department for Structural Business Statistics
Haris Buljugić, Junior statistician, SBS Department

FIS:

Alma Čolpa, Senior adviser for SBS
Aida Halilović, Senior adviser for SBS

RSIS:

Slađana Nikić, Senior Statistician
Danica Babić, Senior Statistician

RTA Team:

Niels Madsen, RTA
Larisa Muslimovic, RTA assistant

Svetlana Prastalo, Interpreter

Signatures

For the approval of the contents of this report, representatives from BHAS, FIS and RSIS as well as MS experts and the RTA sign here:




Component leader, BHAS




Component leader, FIS




Component leader, RSIS



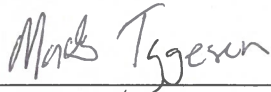
RTA



MS Expert



MS Expert



MS Expert