

# 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 B: Structural Business Statistics – regional variables**  
**Component 1.2 – Structural Business Statistics**

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

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## Expert contact information

*Søren Kühl Andersen,  
Statistics Denmark  
Copenhagen, Denmark  
Tel: +4522260436  
Email: [ska@dst.dk](mailto:ska@dst.dk)*

*Kalle Emil Holst Hansen,  
Statistics Denmark  
Copenhagen, Denmark  
Tel: +4521584887  
Email: [khs@dst.dk](mailto:khs@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 second mission to be devoted to the Structural Business Statistics Component of the Project.

The purposes of the mission were:

- Via consultations with MS experts to give the BC experts input on how to compile missing regional variables given current or possible new data sources
- To consult on how regional variables are made in Denmark as well as on best practices
- A discussion of current Danish experiences/knowledge on compiling of section K for SBS, if assessed meaningful at the current stage

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 and Statistics Denmark.

## 2. Assessment and results

The first topic covered on this mission was a brief discussion regarding section K. In Statistics Denmark, there is an ongoing dialog with the Central Bank of Denmark regarding access to microdata reported from financial enterprises to the Danish Financial Supervisory Authority. The data will certainly be accessible at some point, but due to technical issues, it has not been possible yet. Therefore, the MS experts do not have much experience with section K yet. A brief discussion on possible data sources in BiH also took place, but the BC experts have not yet given this much attention, as it is also the topic for a future mission.

The MS experts introduced the Danish SBR and its use as the foundation for the Danish SBS and explained in detail the calculations going from legal units to local units to be able to calculate the regional variables, which was the main topic of this mission. The method is not very complicated, but it depends upon having information (address, activity codes and employment data) on local units for all legal units in the population. The following discussions focused on the possibilities of obtaining such data in the statistical system of BiH.

The discussions, including dialog with an SBR expert from FIS, showed that such data is actually available when it comes to local units located in FBiH and Brcko district. It is not currently implemented in SBR, but data could be transmitted from separate data files. The SBS experts from RSIS talked to relevant experts from RSIS regarding possible sources for similar data covering local units in RS during the mission. The preliminary conclusion were that this data is indeed available, but through a different source, namely the semi-annual employment survey, which has full coverage of local units in RS.

During the mission it was also briefly discussed which regional breakdown to apply in BiH. It seems that the NUTS regions have not yet been established for BiH, but as the aim is to be able to assign the

relevant statistical information on to each local unit, there will be no limitations when it comes to calculating the regional breakdowns, no matter how they end up.

Another topic regarding regional variables was also brought up during the mission: The EBS manual clearly states that the regional variables should be based exactly on all the local units under the enterprises in the SBS population. This has the implication that local units with activity outside the SBS scope (the primary example being agriculture) are also included. However, the manual also states that the statistical unit is the local unit, when it comes to regional variables, meaning that aggregates should be calculated based on the local units. In consequence, there will be aggregates on activities outside the SBS scope that should be transmitted to Eurostat, but the transmission format does not allow this. It was agreed that the BC experts themselves will try to clarify this with Eurostat.

### 3. Conclusions and recommendations

Regarding section K, the conclusion at this stage is that the MS experts do not have much relevant experience to share yet. At a later stage, it would certainly make sense to have a mission regarding section K. For such a mission to be successful, it is recommended that the BC experts further investigate possible data sources covering the financial enterprises prior to the mission.

Regarding the regional variables, the conclusion seems to be that it is realistic to obtain for each legal unit in the SBS population the needed information on the underlying local units. It is therefore recommended to continue working on that. The local units are already in the SBR, and with a view to future development of SBR it is recommended to add employment data on the local units to the SBR. However, even before this might happen it is recommended to use this employment data for the calculations of the regional variables. This will require separate transmissions of this data on employment in local units to the SBS experts in the statistical institutions.

Further conclusions and recommendations regarding the calculations of the regional variables are:

1. Employment data is already available for all *legal units* in the SBS population.
2. Information regarding the activity and geographical location of all *local units* is already available.
3. This means that the first regional variable (number of local units) can be calculated.
4. Next step is for each legal unit to distribute the employment to the underlying local units (which is trivial when there is only one local unit).
5. When employment data for all local units under a given legal units is available, this data is used.
6. If the employment in the local units does not add up to the known total for the legal unit, the employment figures for the local units are adjusted.
7. For legal units, where there is not employment data available for all its local units, some distribution method must be used. It is recommended to use a simple method based on the employment ratios on the national level for the activities of the local units in question.
8. Now the second regional variable (number of employees and self-employed persons in local units) can be calculated.
9. For calculating the third and final regional variable (wages and salaries) the recommendation is to use a method similar to the method used in Denmark. It simply uses a wages and salaries per employee ratio for each activity code of the local units under a legal unit and finally adjusts the figures on local units so that they add up to the known total for the legal unit.

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

<b>Action</b>	<b>Deadline</b>	<b>Responsible person</b>
Continue working on regional variables, including access to employment data on local units	Unknown	BC experts
Explore data sources in BiH for financial enterprises (section K)	Before next mission	BC experts

## 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  
31<sup>th</sup> May and 1<sup>st</sup> and 2<sup>nd</sup> June 2022**

**Onsite mission**

**Venue: The Institute for Statistics of the Federation of Bosnia and Herzegovina (FIS),  
Zelenih beretki 26, Sarajevo.**

#### **Activity 1.2 B: Structural Business Statistics – regional variables**

##### **1. Mandatory result**

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

<b>Component 1: Business Statistics' capacities increased and strengthened</b>		
<b>Objective as in Twinning Fiche</b>	<b>Indicator / Relevant Milestones / Internal deadlines</b>	<b>Status</b>
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  1.2.1 New EU regulation (FRIBS) in Section K implemented  1.2.2 Multiannual and regional characteristics for Annexes I-IV integrated	Variables for Section K and missing variables published and delivered to Eurostat	First mission will take place end of February/beginning of March 2022

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

##### **2. Purpose of the activity:**

- Via consultations with MS experts the purpose of the activity is to give the BC experts input on how to compile missing regional variables given current or possible new data sources

- The MS will consult on how regional variables are made in Denmark as well as on best practices
- A discussion of current Danish experiences/knowledge on compiling of section K for SBS, if assessed meaningful at the current stage

### **3. Expected output of the activity:**

That the BC experts have gained inspiration on how to compile regional variables for SBS.

### **4. Participants:**

#### **Agency for Statistics of BiH (BHAS)**

- Bojana Cicovic, Senior Official in Department for Structural Business Statistics

#### **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

#### **Twinning Project Administration**

- Niels Madsen, RTA (excused due to simultaneous project mission in Banja Luka)
- Larisa Muslimovic, RTA Assistant
- Haris Imamović, Interpreter



## **Annex 2. Topics for the next mission**

Section K, possibly follow-up on variables with breakdowns by activity and regional variables.

## Annex 3. Persons met

### BHAS:

Bojana Cicovic, Senior Official in Department for Structural Business Statistics

### FIS:

Alma Čolpa, Senior adviser for SBS

Aida Halilović, Senior adviser for SBS

Emira Beširević, Senior Advisor for Register and Classifications

### RSIS:

Slađana Nikić, Senior Statistician

Danica Babic, Senior Statistician

### RTA Team:

Niels Madsen (excused due to simultaneous project mission in Banja Luka)

Larisa Muslimovic

## 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:

*Bojana Cicović*  
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Component leader, BHAS

*Alma Čolpa*  
\_\_\_\_\_  
Component leader, FIS

*Danica Babić, Slatana Nikić*  
\_\_\_\_\_  
Component leader, RSIS

*Niels Modan*  
\_\_\_\_\_  
RTA

*Stefan Anđić*  
\_\_\_\_\_  
MS Expert

*Valtteri Haara*  
\_\_\_\_\_  
MS Expert