

TWINNING CONTRACT

BA 12 IB ST 01

Support to the State and Entity Statistical Institutions, phase VI



STUDY VISIT REPORT

on

Financial Accounts

Activity 3.6

Study visit to Denmark

19- 21 April 2016

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
FA	Financial Accounts
MS	EU Member State
RTA	Resident Twinning Adviser

Executive Summary

The study visit for representatives of CBBH to Statistics Denmark was organized in order to discuss and compare current practice and development of Financial Accounts as well as Non-financial accounts.

The study visit program covered topics that are important for the Project in order to better understand and treat data in accordance with European methodologies.

The following topics were covered through the study visit program:

1. Introduction to Statistics Denmark
2. Assessment of General Government data in terms of “annual to quarterly”
3. Missing data series (earlier years), consolidated and unconsolidated data (s.13), Securities/shares missing data – market prices
4. Accrual based recording (taxes and social contribution),
5. Balancing for FA as whole, and methodology format for FA compilation in BiH.

1. General comments

This report was prepared within the Twinning Project ”Support to the State and Entity Statistical Institutions, phase VI”.

The purposes of the study visit were:

- Usage of knowledge and experience of MS in order to improve FA Statistics
- To get more familiar with the general process and methods applied in Statistics Denmark, in order to get new ideas for further development of FA
- Discussion on concrete issues regarding implementation of the Twinning project and its role in development of CBBH’s statistics
- Applying MS best practices in CBBH

Participants of the study visit would like to express gratitude to all officials and individuals met, for good organization, kind support and valuable information received during the study visit.

2. Lessons Learned

During study visit to Statistics Denmark we presented and discussed certain number of issues concerning compilation of Financial Account – General Government Sector scope, as well as the rest of the sectors of BH economy.

We thoroughly deliberated on possibilities to assess quarterly data on a basis of annual data. Experts of Statistics Denmark suggested us to use Denton algorithm as a method of data assessment.

Also, concerning missing data for previous years, it was suggested to compile as much possible attainable data. Those data should be basis for estimation using adequate model which should be custom made and developed within CBBH with external expert support.

As far as accrual recording of revenue, Statistics Denmark does not use any model since they have complete data and have no use for it. It will be necessary for CBBH to consult with countries in the region, which use Time Adjusted Cash Model.

Concerning Balancing of all sectors of BH economy, it was suggested to do only horizontal balancing (by instruments). Vertical balancing (by sectors of economy) was concluded not feasible, considering that BHAS still does not compile Non-financial account of all sectors of the BiH economy.

3. Conclusions and recommendations

1. The study visit was a useful experience i.e. topics covered are directly related to our activities that will be carried out through the Twinning Project.
2. We will consider the possibility to implement similar procedures used in MS in the CBBH GFS and FA statistics, which will contribute to further harmonization with EU requirements.
3. These experiences will be used in the process of development of GFS and FA in BiH and will directly contribute in reaching our goals planned through the Twinning Project.

Annex 1. Programme

Tuesday, 19 April

10:00-11:00 Introduction to Statistics Denmark,

11:00-12:00 Annual data of General Government sector (s.13, Non financial and Financial Accounts) and way of assessing quarterly data for Financial Accounts on the basis of Annual data,

12:00 -13:00 Lunch

13:00-15:30 Missing data series (earlier years) – (back casting) (assessment method)
Consolidated and unconsolidated data of General Government (s.13)

Wednesday, 20 April

10:00-12:00 Securities- Shares (missing data on the market prices)

12:00 -13:00 Lunch

13:00-15:30 The process of compiling and production of Financial Accounts for the General Government Sector (s.13) of Statistics Denmark (consistency of stocks and flows, creation of derivation tables, etc.)

Thursday, 21 April

10:00-12:00 Questions related to data in various sectors
Balancing exercise for whole Financial Accounts

12:00 -13:00 Lunch

13:00-15:00 Format of methodology for Financial Accounts compilation in BH

15:00-15:30 Debriefing - evaluation

Annex 2. Persons met

Participants of Bosnia and Herzegovina

Ervin Zolić, Head of GFS and FA Unit

Milica Krajišnik, Senior Officer

Amila Delić, Senior Officer

Bojan Klačar, Junior Officer

Participants of Statistics Denmark

Kristina Stæhr Vest (DK)

Maria José Alvarez Peláez (DK)