

TWINNING CONTRACT
Support to the Statistics

Kosovo



MISSION REPORT

on

3.2.1.3 Aligning SBS questionnaires with needs for National Accounts

Component no 3 Business Statistics

Mission carried out by Virginia Balea, Statistics Denmark

7 to 11 April 2014

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List of Abbreviations

KAS	Kosovo Agency for Statistics
ToR	Terms of Reference
NACE rev.2	Nomenclature statistique des activités économiques dans la Communauté européenne, revision 2
SBS	Structural Business Survey
STS	Short term statistics
SUTs	Supply and Use Tables

Executive Summary

The aim of the mission was to analyse the current Structural Business Statistics (SBS) questionnaire and revise it in order to align it to the SBS EU regulation's requirements and to answer National Accounts needs. Several chapters have been introduced to address the demand to produce SBS tables according to the Regulation 295/2008 for industry, construction, trade and services. Additional four chapters have been added in order to cope with National Accounts requests to compute the SUT table based on the data to be collected for 2013 reference year.

The second objective covered the issue of sampling design for the 2014 SBS survey. A document on how to design the sample based on the random approach has been provided. The quality of Business Register has to be improved so that the Business Register can be used in a proper manner as sampling frame for all business surveys.

It has to be mentioned that the main obstacle for development of the structural business statistics is the limited human resources. Structural business statistics is covered by two persons. Business Register is covered by one person who also performs sampling operations for business statistics.

1. General comments

This mission report was prepared within the Twinning Project „Support to Statistics”. It was the first mission to be devoted to Aligning SBS questionnaires with needs for National Accounts within Component Business Statistics of the project. The mission aimed at complete revision of the SBS questionnaire.

The concrete objectives of the mission were:

- Revision of the structural business survey in order to follow the EU regulations in the field of SBS.
- Design the SBS survey in order to answer to the need of SUTs elaboration for National Accounts.

The consultants would like to express their thanks to all officials and individuals met for their kind support and valuable information which they delivered during the stay in Kosovo, and which highly facilitated the work of the consultants.

The views and observations stated in this report are those of the consultants and do not necessarily correspond to the views of EU, KAS or Statistics Denmark.

2. Assessment and results

The expert has given recommendation on the progress of work within the duration of the Twinning project taking into account their perception of the capability of absorption within KAS. Primarily due to a small number of staff, the expert recommends a strong coordination of development of the business statistics.

The tasks to be prioritized should be the ones giving the largest benefit. The questionnaire for the SBS has been redesigned in order to answer the requirements of the SBS regulations. The first priorities should be given to data collection and data processing of SBS data.

SBS has been conducted since 2006. The sample frame is based on SBR. The survey covers annexes 1 to 4 of the EU regulation. The Business Register is used as sampling frame for drawing the sample for the SBS.

The register has only one unit type namely legal unit. Local units are not covered. Data from KBRA includes identification number, name, address and other contact information, type of ownership and activity code.

Based on the existing questionnaire, tables on incomes and expenditures have been reshuffled in order to insure the availability of all the variables requested for the series on industry, construction, trade and market services. The complex variables such as production value, value added and gross operating surplus have not been included in the questionnaire but the elements needed to compute them are. They will be latter computed by the SBS staff based on the collected elements. Chapter on employment was mostly kept as initial version of the questionnaire. The chapter on stocks has been redesigned as well as the one on investments.

Additional chapters/tables have been included in order to answer to the need of SUTs elaboration for National Accounts, namely breakdown of main indicators by kind of activity unit, breakdown of intermediary consumption by categories, investments by origin and transport activities' turnover split by type of goods transported.

The proposed questionnaire comprises eleven chapters as follows:

1. General information;
2. Employment. The table covers the variables average number of persons employed, employees and hours worked;
3. Revenues by categories;
4. Expenditures by types;
5. Stocks;
6. Breakdown of main indicators (turnover, capitalised production, stocks, employment, wages and salaries, investments) by kind of activity unit using the NACE Rev.2 classification;
7. Intermediate consumption by categories;
8. Investments by type of assets; the gross investments were further split into new investments, used investments and major repairs;
9. Investments by origin;
10. Environment investments, and
11. Breakdown of transport services by type of transported goods.

The new version of the questionnaire has been developed in Excel format to be used by the company that will be in charge with field activities. The form designed could be used by the enterprises to fill in the data. The template of the questionnaire is included in Annex A

Based on the new structure of the questionnaire checks rules, cross checks formulas and correlations have been provided by the expert. The checks are included in the Annex B.

Additional formulas to compute production value, value added, personnel costs, purchases of goods and services and gross operating surplus were also provided.

The annex B covers also methodological guidelines regarding definitions and coverage of the main variables included in the questionnaire.

Regarding the sampling design there were discussion during the meeting with the KAS staff regarding the method to be used to select the sample. It has been recommended to use a stratified simple random sampling design to draw the sample for the SBS survey. A document (Annex C) on optimal allocation and example on how to select the sample size has been distributed to KAS staff.

3. Conclusions and recommendations

In general, the consultants find that KAS has a relatively good foundation for business statistics in terms of good administrative registers covering the business community and good relationship and cooperation with the relevant authorities.

The main issues regarding statistics are timeliness, quality and exhaustiveness of the statistics and the statistical programme itself.

The SBS questionnaire has been revised it in order to align it to the SBS EU regulation's requirements and to answer National Accounts needs. Several chapters have been introduced to address the demand to produce SBS tables according to the Regulation 295/2008 for industry, construction, trade and services. Additional four chapters have been added in order to cope with National Accounts requests in order to compute the SUT table based on the data to be collected for 2013 reference year.

For the purpose of data collection and taking into account EU regulations' requirements, it is strongly recommended that NACE Rev.2 is used.

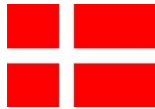
Regarding the sampling issue it is recommended to use a stratified simple random sampling design to draw the sample for the SBS survey.

The strata should be constructed on the intersection of levels of the stratification variables: activity code and size class of the enterprise (based on number of employees). Depending on the needs, some strata can be surveyed exhaustively. It is recommended to survey exhaustively the outliers (for example the enterprises with turnover exceeding 50 k Euro) For Kosovo SBS purposes all enterprises over 10 employees can be exhaustively treated. For all strata a minimum number of enterprises should be included into the sample. Minimum of 3 or 5 enterprises per stratum needs to be covered, due to various reasons and to insure the reliability of the data in case of non-response. The selection weight will be Horvitz-Thompson weight and is computed as the inverse of the selection probability.

The work plan proposed is the following:

- Implement and translate the SBS questionnaire
Deadline: End of May 2014
- Data collection – field activity
Deadline: June-July 2014
- SBS data validation
Deadline: September 2014
- Compute the preliminary data for the reference year 2013
Deadline: November 2014

Annex 1. Terms of Reference



<http://www.google.dk/imgres?imgurl=http://www.astronom>

EU Twinning Project KS12 IB ST 01 Support to Statistics

Terms of Reference:

Component 3: Business Statistics

Activity 3.2.1.3: Aligning SBS questionnaires with needs for National Accounts

Scheduling:

ToR –ready date: 25 March 2014
Start / end of activity: 7 April – 11 April 2014
Reporting time: 18 April 2014

Mandatory result of the component:

Mandatory Result	Intervention logic	Benchmarks	Sources of information	Assumptions
Mandatory Result 3.2	Structural Business Statistics (SBS) Reducing of production time and improving quality of SBS	<ul style="list-style-type: none"> Mission report describing work done and work further to be completed on questionnaire and sample design 	<ul style="list-style-type: none"> Twinning Quarterly reports Mission reports 	<ul style="list-style-type: none"> Sufficient absorption capacity Access to administrative and survey data Low turn-over of staff involved in implementation Staff works on project related tasks in between missions

Subject / purpose of activity 3.3.2.a:

To consult and work with KAS professionals to complete the revision of the SBS questionnaire. The questionnaire should be revised in order to follow the EU regulations in the field of SBS. It should further more answer to the need of SUTs elaboration for National Accounts before next NA activities related to Structural Business Statistics

Expected output of activity 3.3.2.a:

KAS people after this mission have greater understanding of designing questionnaire and sample used for SUTs elaboration for National Accounts. They should be able to this on their own next year. Also a

mission report describing work done and making suggestions for Terms of Reference for other activities needed in Component 3.3.

Questionnaire for 2013 SBS aligned with EU requirements for structural business statistics and aligned with requirements for data needed by the national accounts division (especially SUT)

KAS resources:

Mr. Ismajl Sahiti, Head of Division, ismail.sahiti@rks-gov.net (Component Leader)

Mr. HysniElshani, Head of sector, hysni.elshani@rks-gov.net

Mr. MuhametKastrati, Manager of database, muhamet.kastrati@rks-gov.net

Ms. ValdeteNavakazi, Senior Officer for STS, valdete.navakazi@rks-gov.net

Ms. LuljetaKrasniqi, Senior Officer for SBS, luljeta.krasniqi@rks-gov.net

Mr. BekimBojku, Senior Officer for energy statistics, bekim.bojku@rks-gov.net

Employees from National Accounts will attend when required

KAS Twinning team:

Project Leader Mr. Ilir T. Berisha, Director of Economic Statistics and National Accounts,

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RTA Counterpart Ms. Teuta Zyberi, International Relations Officer, teuta.zyberi@rks-gov.net

Member state resources:

Ms. Virginia Balea, Senior Consultant, Statistics Denmark, Virginia.balea@insse.ro

Twining resources:

Mr Per Knudsen, RTA, pkn@dst.dk

Ms Nora Zogaj, RTA Assistant, nzogaj@yahoo.com

Description of the background for the activity

In the first Twinning mission on Business Statistics, “Overall Assessment of Business Statistics and Prioritization of Actions (3.1.1)” the two Danish experts Peter Ottosen and Søren Netterstrøm states the following about SBS:

The most important issue is to have data ready for National Account at a much earlier stage.

The methods for sampling, imputation and estimation may need to be revised.

A major reason for the late availability of data is that the sample from SBR was delayed. This issue has to be addressed by SBR and some improvement should be obtained for 2013. After collection is completed, data are verified; missing data are obtained from larger units (+200 employees) or imputed. This takes 2 months. The project should look into these matters in order to find ways to further improve the timeliness.

The questionnaire and the methods for estimation should be examined and revised if needed.

A long term development plan for future improvements must be developed.

A mission conducted by Clementina Ivan-Ungureanu (mission report not yet available) found that it would be necessary to have a mission as soon as possible to work with the questionnaire and sample design in order to ensure that data is available especially for the compilation of SUT (Supply and Use tables) scheduled for 2015.

In the long term the main improvement / reductions in SBS production times must come from an improved statistical business register (SBR). However these improvements will be implemented

during the second part of 2014 and first part of 2015 and will therefore not be able to affect the production time or quality of the 2013 SBS.

Activities to be undertaken in preparation for the mission:

List of attached documents

- Adapted Global Assessment report (AGA)
- Program of official statistics 2013 -2017
- Strategic Development Plan 2009- 2013
- SBS methodology
- Mission Report on Overall Assessment of Business Statistics and Prioritization of Actions Component no 3.1.1
- Mission Report Ivan-Ungureanu (will be forwarded later)

The expected activities are:

- Workshop with KAS participants on sample and questionnaire design

Expected output:

- Mission report – according to template
- Detailed plan for further activities to be completed in component 3.2 by the twinning program

Annex 1. Program, April 2014

Day	Place	Time	Event
1	KAS	09.00	Introductory remarks to this part of component 3
		09:15 – 16:00	Workshop: Questionnaire and sample design for SBS
2	KAS	09:00- 16:00	Workshop: Questionnaire and sample design for SBS
3	KAS	09:00- 16:00	Workshop: Questionnaire and sample design for SBS
4	KAS	09:00	Workshop: Questionnaire and sample design for SBS
5	KAS	09:00	Report writing
		10:30	Coffee break
		10:00	Report writing
		12:00	Lunch break
		13:15	Debriefing: Experts, Component Leader and RTA

Annex 2. Persons met

KAS:

Mr. Ilir T. Berisha, Director of Economic Statistics and National Accounts
Mr. Ismajl Sahiti, Head of Division
Mr. HysniElshani, Head of sector
Mr. MuhametKastrati, Manager of database
Ms. ValdeteNavakazi, Senior Officer for STS
Ms. LuljetaKrasniqi, Senior Officer for SBS

RTA Team:

Per Knudsen, RTA
Nora Zogaj, RTA Assistant