

TWINNING CONTRACT

BA 17 IPA ST 01 20



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



MISSION REPORT

Activity 1.3.1 C- Index of Production in Construction III Component 1.3.1 - Index of Production in Construction

Mission carried out by
Roberto Iannaccone, ISTAT
Fabio Bacchini, ISTAT

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Expert contact information

Roberto Iannaccone

ISTAT

Location Rome, Italy

Tel: +39 06 46737302

Email: iannacco@istat.it

Fabio Bacchini

ISTAT

Location Rome, Italy

Tel: +39 06 46737264

Email: bacchini@istat.it

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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

Executive Summary

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 Index of Production in Construction subcomponent of the Project.

The purposes of the mission were:

- Discussion with other department on the availability of statistical information on construction sector.
- Assessment of the methodology for IPC calculation.

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, which highly facilitated the work of the consultant.

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 and The Italian National Institute of Statistics.

2. Assessment and results

According to the ToR presented in Annex 1, two main issues were discussed during the mission. The first was a discussion with colleagues from other statistical departments (National Accounts and Structural Business Statistics, SBS) regarding the availability of other statistical information on the construction sector about value added and deflators from National Account as well as data on hours worked, value added, number of employees and turnover from SBS statistics. The aim of the discussion was to check for the coherence between SBS and STS statistics, the possibility of the use of SBS data for productivity estimation in the construction sector and data on deflators and cost of construction. This in order to get indicators for deflated value of work done by the STS. The discussion was fruitful, and it was decided to start with the extraction of microdata from SBS and STS on value of performed work and hours worked to explore the robustness of the current methodology for the IPC calculation. Finally the methodology on IPC was investigated regarding the weights used for the base year and the seasonal adjustments between a direct and indirect approach.

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

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

Action	Deadline	Responsible person
Extraction of SBS and STS microdata	Before the next mission	FIS, RSIS

Annex 1. Terms of Reference for the current mission

Terms of Reference

EU Twinning Project BA 17 IPA ST 01 20

**Component 1.3.1. C - Index of Production in Construction (IPC)
04, 05 and 06 April 2022**

Virtual meetings via Zoom

Activity 1.3.1.C: Index for Production in Construction III

1. Mandatory results

IPC produced according to the FRIBS (current EU regulation STS No 1165/98)

New methodology for calculation of Index of Production in Construction / IPC developed (by using value data and CPPI as deflator)

IPC produced and delivered to Eurostat (Non-Adjusted (NSA), Working-Day Adjusted (WDA) and Working-Day and Seasonally Adjusted (SA))

Indicator / Relevant Milestones / Internal deadlines:

Indicators for IPC published and delivered to Eurostat

2. Purpose of the activity

- Meeting with NA and SBS to discuss coherence between data sources and data availability for productivity correction and deflator
- Testing the methodology for IPC: simulation of different scenario according to different calculation procedures
- Revision Policy (back-recalculation)
- Seasonal and Working Day Adjustment Method
- Preparation of ToR for next activity

3. Expected output of the activity

- Mission report
- Updated road map
- ToR for the next mission/activity

Annex 2. Persons met

BHAS:

Fahir Kanlić, Head of Department for Industry and Construction Statistics
Dženita Babić, Senior Advisor for Construction Statistics
Anita Brković, Senior Advisor for Construction Statistics

FIS:

Edina Dulić, Senior Advisor for Construction Statistics

RSIS:

Danica Babić, Senior Officer for Structural Business Statistics
Želimir Radišić, Senior Officer for Construction Statistics

RTA Team:

Niels Madsen
Larisa Muslimovic

The content of this report is approved by:

MS Expert



MS Expert



BHAS Component leader



FIS Component leader



RSIS Component leader

Radišić Želimir

RTA

Niels Madsen
