

TWINNING CONTRACT

2023/447-234



EU for Further Development of Statistics System in BiH



MISSION REPORT

Activity: 1.3.2C: Commercial Real Estate Indicators (CREI) III

Component: Business Statistics

Subcomponent 1.3 Short Term Statistics, 1.3.2 Commercial Real Estate Indicators (CREI)

Mission carried out by:

Ema Mišić, Statistical Office of the Republic of Slovenia

11-13 June 2025

Version: Final

EU FOR FURTHER DEVELOPMENT OF STATISTICS SYSTEM IN BIH



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List of Abbreviations

BC	Beneficiary Country (Bosnia and Herzegovina)
BHAS	Agency for Statistics of Bosnia and Herzegovina
BiH	Bosnia and Herzegovina
CBBH	Central Bank of Bosnia and Herzegovina
EU	European Union
EUD	European Union Delegation to Bosnia and Herzegovina
FIS	Institute for Statistics of the Federation of Bosnia and Herzegovina
LA	Language Assistant
MS	EU Member State
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Advisor
RTAA	Resident Twinning Advisor Assistant
ToR	Terms of Reference



Executive Summary

The third 2.5-day project mission, attended by representatives from the Institute of Statistics of the Federation of Bosnia and Herzegovina (FIS), the Republika Srpska Institute of Statistics (RSIS), and the Agency for Statistics of BiH (BHAS), successfully advanced the efforts to develop new construction and real estate (CRE) indicators.

The mission focused on reviewing and implementing a pilot survey for two new CRE indicators: construction starts and works completion. All three statistical institutions jointly developed and pilot-tested two questionnaires in April/May 2025.

Key findings from the pilot survey highlighted good cooperation from reporting units, ease of questionnaire completion, but also identified issues like some missing data (e.g. building permit numbers) and complexity, when municipal inspectorates are responsible for areas in multiple municipalities.

Based on the findings from the pilot, participants agreed to:

- Add a municipality code column to the works completion questionnaire.
- Emphasize the importance of providing complete data in notification letters for all three linked surveys.
- Prepare results (i.e. usable floor area data for construction starts and works completion) by CPA (classification of products by activity) classification by leveraging existing building permit information.

Finally, the pilot study highlighted the need to consider and design an IT application for data entry for reporting units when introducing these new real estate surveys as a regular task, given their close link to the existing collection of building permit data.

1. General comments

This mission report was prepared within the EU Twinning Project "Further Development of the Statistics System in Bosnia and Herzegovina". It was the 3rd mission devoted to the Commercial Real Estate Indicators (CREI) Subcomponent of the Project.

The purposes of the mission were:

- Analyses of the conducted pilot survey
- Discussion on the issues encountered
- Revision of questionnaires based on the inputs from pilot survey
- Preparation of ToR for next activity

The consultant would like to express her 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 consultant.

The views and observations stated in this report are those of the consultant and the RTA and do not necessarily correspond to the views of EU, BHAS, FIS, RSIS, CBBH, Statistics Denmark, Statistics Finland, Statistical Office of the Republic of Slovenia or The Italian National Institute of Statistics.

2. Assessment and results

In early June 2025, the third 2.5-day mission on CREI in this project was successfully completed. Representatives from the Institute of Statistics of the Federation of Bosnia and Herzegovina (FIS), the Republika Srpska Institute of Statistics (RSIS), and the Agency for Statistics of BiH (BHAS) attended. The mission primarily focused on reviewing questionnaires and instructions for the pilot survey, implementing data collection for two new Construction and Real Estate (CRE) indicators (construction starts and works completion), analyzing results, and discussing the information gathered.

Two questionnaires were prepared for the implementation of the pilot survey: one for the construction starts and another for the works completion. Alongside these, instructions for completion and a notification letter for reporting units were prepared. All three institutions meticulously reviewed and coordinated the content of these questionnaires and notification letters in the preceding months. Examples of these materials are provided in Annex 4.

Data collection took place in April and May. The questionnaire for construction starts was sent to municipal inspectorates, while the questionnaire for works completion went to municipal departments responsible for issuing use permits.

The RSIS sent both questionnaires to all relevant reporting units, specifically 59 municipal inspectorates and 64 municipal departments responsible for issuing use permits. They received responses from 45% of inspectorates and 58% of municipal departments. The FIS selected 20 reporting units and successfully obtained data from all of them. The Agency for Statistics of BiH in Brčko District also managed to collect some data. Detailed information on data received is in Annex 5.

After reviewing the collected data and information, representatives from RSIS, FIS, and BHAS highlighted several key findings from the pilot survey:

- **Excellent Cooperation:** Reporting units demonstrated very good cooperation, though some phone calls were necessary to obtain all required data.
- **Ease of Completion:** Reporting units found the questionnaires easy to fill out and appreciated their concise nature.
- **Missing Information:** Some questionnaires lacked specific details, such as building permit numbers.
- **Area Coverage:** Certain municipal inspectorates cover multiple smaller municipalities, as these smaller municipalities may not have all dedicated departments.

Based on these findings, participants later in the discussion agreed to add a column for the municipality code to the Works Completion Questionnaire. Given that data from these two new CRE surveys are linked to the building permit survey via the building permit number, it was also decided that notification letters for all three surveys should in the future explicitly emphasize the importance of providing complete data.

Furthermore, all three institutions should now prepare final results, i.e. data on usable floor area for both construction starts and works completion. This data will be obtained from a survey of issued building permits via the building permit number. If any information is missing from the questionnaires, the institutions will endeavour to obtain it from reporting units in the coming months.

Since the draft regulation for these new CRE indicators requires the preparation of the results according to the CPA classification, some time at the meeting was also dedicated to this topic. The consultant prepared a table linking codes from the CPA classification with the existing CC classification (classification of types of construction). Required breakdown according to CPA classification and link to CC classification are available in Annex 6.

The pilot survey also underscored the close relationship between collecting data for these new CRE indicators and the survey on issued building permits, often involving the same reporting units. Therefore, when establishing these new CRE surveys as a regular task, it would be beneficial to consider and plan the development of an IT application for data entry for reporting units.

3. Conclusions and recommendations

- 2 questionnaires (for construction starts and work completion) and accompanying documents prepared
- Pilot survey conducted
- Data obtained and findings from the pilot survey discussed
- The following steps decided
- ToR for next mission drafted

4. What to do before the next mission

Since the BiH institutions already implemented the pilot survey on the two CREI indicators (construction starts and works completion) with success, it has been agreed that there would be no more missions within this twinning project.

Annex 1. Terms of Reference for the current mission

Terms of Reference

EU Twinning Project BA 19 IPA ST 01 23

Component 1 – Business Statistics

Subcomponent 1.3.2 Commercial Real Estate Indicators (CREI)

Timing: 11 (at 10 a.m.) - 13 June (12 p.m. – noon) 2025

Venue: Institute of Statistics of RS, Vladike Platona bb, Banja Luka

Bosnia and Herzegovina

Activity 1.3.2C: CREI III

Currently no EU regulation exist on Eurostat reporting on CREI. A regulation was expected to be proposed in July 2024 and likewise expected to be adopted in 2025. The work in this subcomponent is therefore done in parallel with the adoption of the regulation and under the assumption that at the time the activities take place, the variables expected to be reported will be in line with the ones specified in the final decision = regulation. As no regulation exist, the variables are not (necessarily) produced in MS.

1. **Mandatory result** (as stated in the Project description/Twinning Fiche)

CREI indicator in Construction Statistics (with three variables: Construction starts, Works completion, Vacancy rates) developed according to the EBS requirements

* Vacancy rates is expected to be removed from the EU regulation in question

2. **Purpose of the activity:**

- Analyses of the conducted pilot survey
- Discussion on the issues encountered
- Revision of questionnaires based on the inputs from pilot survey
- Preparation of ToR for next activity

3. Expected output of the activity:

- Analyses of the conducted pilot survey performed
- Discussion on the issues encountered held
- Revision of questionnaires based on the inputs from pilot survey performed
- ToR (including time (frame)) for the next activity prepared

Annex 2. (input for the) Terms of Reference for the next mission

Since there will be no more missions related to this activity, no Terms of Reference for the next mission is necessary.



Annex 3. Persons met

BHAS:

Fahir Kanlic, Head of Department for Industry and Construction Statistics

Anita Brkovic, Senior Advisor for Construction Statistics

FIS:

Muhidin Hadziahmetovic, Deputy Director

Nusreta Imamovic, Head of the Department for Industry, Construction and Energy Statistics

Edina Dulic, Senior Advisor for Construction Statistics

RSIS:

Biljana Djukic, Head of Production Statistics Department

Zelimir Radisic, Senior Officer for Construction Statistics

RTA Team:

Niels Madsen, RTA

Senka Ahmetovic-Palic, RTA Language Assistant



Annex 4. Example of Pilot survey questionnaires and notification letter

INSTRUCTIONS FOR COMPLETING THE CONSTRUCTION COMPLETION REPORT - ISSUED USE PERMITS (M KPS GRAĐ-ZG)

The monthly pilot survey on works completion (for the Commercial Real Estate Indicators - CREI survey) (K KPS GRAĐ ZG) is conducted based on the Law on Statistics of BiH (Official Gazette of BiH, No. 26/04 and 42/04 and the corresponding entity laws on statistics).

The survey covers **building construction facilities** (only new residential and non-residential buildings), except for: Residential buildings for community housing.

This activity **does not** include temporary building construction facilities that need to be legalized, as well as civil engineering facilities (all facilities that are not included in building construction facilities: highways, roads, streets, railways, airport runways, bridges, ports, dams, pipelines, communication and power lines, complex construction facilities in industry, etc.)

The monthly report on the works completion is compiled by the appropriate administrative bodies - units that are responsible for issuing use permits (departments, services, sections, sectors) at the municipal/city, cantonal or entity level.

One report is completed for the area of each municipality/city (M KPS GRAĐ-ZG). The report includes the name of the municipality/city in whose area the subject facilities for which use permits were issued were built.

In the event that no use permit was issued in the reporting month, a Report (M KPS GRAĐ-ZG) for that reporting month is submitted with a zero (0) answer to question 5.

Report (M KPS GRAĐ-ZG)

For questions 1, 2 and 3, data on the reporting unit that completes the report on issued use permits is entered. For question 4, the name of the municipality/city on whose territory the relevant facilities were built and for which the appropriate use permits were issued is entered. For question 5, the reporting unit is required to enter the number of use permits issued for the given municipality/city in the reporting month, which is proportional to the number of use permits issued. **In the space provided for this, the time (in minutes) spent completing the report should be entered.** In the space provided for comments, enter all comments, remarks and suggestions that may help improve this activity.

For each issued use permit, **two** reports are completed (M KPS GRAĐ-ZG), one of which is submitted to statistics, while the other is retained by the reporting unit. All data related to the use permit are entered in the table on the second page of the report.

Report number Data from the first processed use permit issued in the reporting month are entered in the report and assigned number 1, the next issued use permit is designated as number 2, etc. The number of the last issued use permit must be equal to the number of issued use permits entered in response to question 5 of the report (M KPS GRAĐ-ZG).

Construction permit (decision) number Enter the number of the issued construction permit (decision) assigned by the competent authority for issuing construction permits within its records.

Use permit (decision) number Enter the number of the issued use permit (decision) assigned by the competent authority for issuing use permits within its records.

Date of construction start (date of issuance of the use permit) Enter the day, month and year of the issued use permit (decision) assigned by the competent authority for issuing the use permit within its records.

Agency for Statistics of Bosnia and Herzegovina (BHAS) Institute for Statistics of the Federation of Bosnia and Herzegovina (FIS) Institute for Statistics of Republika Srpska (RSIS)	K KPS GRAD PG	Law on Statistics of BiH/FBiH/RS																				
PILOT																						
MONTHLY REPORT ON THE CONSTRUCTION START for April 2025																						
Please read the attached Instructions before filling out the Questionnaire																						
<p>The obligation to submit reports is based on Article 8, paragraph 2.e) of the Law on Statistics of BiH "Official Gazette of BiH" No. 26/04 and 42/04. Refusal to provide data, provision of incomplete and inaccurate data or failure to provide data in the prescribed content and within the prescribed time limit shall entail the penal provisions of Articles 31 and 32 of the Law on Statistics of BiH.</p> <p>The obligation of statistical institutions to protect submitted confidential data is based on Article 19, paragraph 3 and paragraph 6 of the aforementioned Law. Statistical institutions may not use data collected for statistical purposes for other purposes and publish them as individual data.</p> <p>Monthly reports on construction starts (for the Commercial Real Estate Indicators - CREI survey) are completed by units that are responsible for receiving requests for construction starts.</p>																						
INFORMATION ABOUT THE UNIT FOR WHICH THE REPORT IS SUBMITTED																						
1) Name of the administrative body responsible for starting construction _____																						
2) ID number _____		<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>																				
3) Canton /Municipality _____ Place _____																						
Street and number _____ Telephone _____																						
4) The report is completed for the municipality/city _____																						
5) Number of completed reports or number of construction starts received _____																						
6) Time spent filling out the report _____		<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table> in minutes																				
Information about the person who completed this report:																						
Name and surname _____		Signature of the person who completed the report: _____																				
Title _____		_____																				
Telephone / fax _____		Place and date: _____																				
E-mail _____																						

Annex 5. Results of the pilot study conducted by BiH statistical institutions

T1. RSIS

CREI	Reporting units	Coverage	Number of completed questionnaires		Total
			by 9.5.2025	by 20.5.2025	
Construction starts	Municipal inspectorates	59	14	12	26
Works completion	Municipal departments responsible for issuing use permits	64	21	16	37

T2. FIS

CREI	Reporting units	Coverage	Number of completed questionnaires for April 2025		Total
Construction starts	Municipal inspectorates	20	20	0	20
Works completion	Municipal departments responsible for issuing use permits	20	20	0	20

T3. BHAS

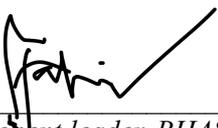
The Municipality of Brčko is one reporting unit, both the Inspectorate (for the construction starts) and the Department of Public Safety (for the works completion) responded.

Annex 6. Required breakdown according to CPA (classification of products by activity) and activities classification and link to CC (classification of types of construction) classification

link with CC	Breakdown required by CREI regulation	
CC 2002	CPA 2025	
CC 11	CPA 41.00.1	41.00.1 Residential buildings (en)
CC 11 without 113	CPA 41.00.1 without CPA 41.00.14	41.00.1 Residential buildings - 41.00.14 Residences for communities
CC 111	CPA 41.00.11	41.00.11 One-dwelling buildings
CC 112	CPA 41.00.12+CPA 41.00.13	41.00.12 Two-dwelling buildings + 41.00.13 Three and more dwelling buildings
CC 113	CPA 41.00.14	41.00.14 Residences for communities
CC 12	CPA 41.00.2	41.00.2 Non-residential buildings (en)
CC 12 - CC 125 - CC 122 - CC 1252	CPA 41.00.2 without 41.00.21+41.00.23+41.00.24+41.00.26	41.00.2 Non-residential buildings - (41.00.21 Industrial buildings + 41.00.23 Office buildings + 41.00.24 Wholesale and retail trade buildings + 41.00.26 Reservoirs, silos and warehouses)
CC 125 + CC 122 + CC 123 + CC 1252	CPA 41.00.21+41.00.23+41.00.24+41.00.26	41.00.21 Industrial buildings + 41.00.23 Office buildings + 41.00.24 Wholesale and retail trade buildings + 41.00.26 Reservoirs, silos and warehouses
CC 122	CPA 41.00.23 (offices)	41.00.23 Office buildings
CC 12302	CPA 41.00.24 (retail buildings)	41.00.24 Wholesale and retail trade buildings
CC 125	CPA 41.00.21+41.00.26 (industrial buildings)	41.00.21 Industrial buildings (en) + 41.00.26 Reservoirs, silos and warehouses

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

Edina Dulic

 Component leader, FIS

Radišić Želimir

 Component leader, RSIS

Željko Modan

 RTA

Ena Mišić

 MS Expert

 MS Expert