TWINNING CONTRACT

BA 12 IB ST 01

Support to the State and Entity Statistical Institutions, phase VI



MISSION REPORT

ON Activity 2.2.2 Review of results of data on business services

Mission carried out by Željko Jelovečki, Central Bureau of Statistics Croatia

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Expert contact information

Željko Jelovečki Central Bureau of Statistics Croatia Ilica 3 10000 Zagreb Croatia Tel: +385 098 620 387 Email:jeloveckiz@dzs.hr

Table of contents

1.	General comments	4
2.	Assessment and results	4
3.	Conclusions and recommendations	6

Annex 1. Terms of Reference Annex 2. Persons met Annex 3. Tansmission datasets

List of Abbreviations

BHAS	Agency for Statistics of Bosnia and Herzegovina
BiH	Bosnia and Herzegovina
BD	Brčko District
CPA	Statistical classification of products by activity
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
NACE Rev.2	Statistical classification of economic activities in the European Community
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Adviser
SBS	Structural Business Statistics
ToR	Terms of Reference

This mission report was prepared within the Twinning Project "Support to the State and Entity Statistical Institutions, phase VI". It was the second mission to be dedicated to an review of results of data on Business services within Component 2.2. of the project.

The purposes of the mission were:

• Review of results of data on Business services

The consultant would like to express his thanks to all officials and individuals met for the kind support and valuable information which he received during the stay in Bosnia-Herzegovina and 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 or Croatian Bureau of Statistics.

2. Assessment and results

The list of activities defined in the ToR for the second mission includes:

- Presentation of collected data of Business services in BiH
- Analysis of results and discussion on production of variables
- Preparation of data of Business Service for transmission of results to Eurostat

During the mission the following outputs have been produced:

- Data collection reviewed and discussed, and the results analyzed
- Methods of production of SBS variables for Business services accepted and agreed
- Draft datasets for transmission to Eurostat prepared
- Regular production of Business services in following year agreed
- Mission report summarized version completed

Overview

As a part of the EU Twinning Project BA-12-IB-ST-01, Component 2.2.Structural Business Statistics, the action was to review results of data on Business services. The methodology for production of SBS Annex 8 Business services was implemented and draft appendixes of the questionnaire were prepared during the previous IPA mission.

Since last mission, the necessary data for Business services for 2014 reference year were collected. Survey on annual and biannual frequency was conducted, and covered the needed NACE activities. This means that activity coverage was fully compliance with SBS requirements.

4 of 7

Selection of statistical units was carried out using the number of persons employed and threshold included enterprises with 20 or more persons employed only, within each selected NACE activities. Such selection of statistical units is in accordance with the SBS Regulation.

The response rate was satisfactory. All collected data are entered by FIS and RSIS and staff has conducted plausibility check by direct contact of reporting units when necessary. During the mission, data collection was reviewed.

During the mission, the results and data quality were analysed. Estimation and imputation procedures for non-response were discussed. Imputations will be done by the method taking into account the product type structure of the same stratum (using the response structure of the stratum and applying it to turnover of the non-response).

Production of variables was tested. Possible technical models for aggregation and filling datasets were discussed. Participants agreed that output datasets will be produced using Microsoft Excel tool as the most optimal solution. Confidentiality treatment will be treated manually taking into account confidentiality for Annexes 1.

Confidentiality treatment will be treated manually if the use of own tool for confidentiality for Annexes 1 to 4 will not be preferable for Business Services.

IPA expert informed on rules related to the transmission of data defined by Eurostat (structure and technical format of data sets, confidentiality pattern, validation rules for checking). The data validation and confidentiality reports should be sent to Eurostat with explanations for the warnings together with the data series.

During the mission, blank transmission datasets for different activities were created and presented by IPA expert. Final datasets for transmission to Eurostat will be finished when final "Turnover" variable from SBS Annex 1 will be available. The turnover differences between Business Services and SBS Annex 1 can be a maximum of 2%.

IPA expert presented content of Eurostat Quality report and suggested filling in for actual reference year. In addition, it was suggested that BiH should finalize methodology documentation for Business services.

IPA expert presented the use of necessary Eurostat tools (EDIT Tool application for datasets validation, e-DAMIS Web services for datasets transmitting and ESS Metadata Handler for Quality report filling).

During the mission, IPA expert presented some possibilities for use of administrative data in future. It was recommended to start studying of potential administrative sources and to start cooperation with owners (especially with custom and tax authorities) in order to get access to their administrative data in future.

IPA expert presented proposals for the upcoming amendment to the SBS regulation (The Commission Regulations amending Regulations No.250/2009 and 251/2009 following the CPA revision) and the impact on the Business Services.

Finally, a plan to finish production of Business services for 2014. reference year were agreed, as well as a general plan on regular production of Business services in following year (for 2015. reference year).

3. Conclusions and recommendations

Generally, we conclude that BiH has built up and introduced in regular production sustainable compilation system for SBS Business services. Implemented methodology is fully in accordance with relevant SBS EU requirements. Following recommendations are presented by IPA expert:

- Introduce the use of the necessary Eurostat tools:
 - EDIT Tool application for datasets validation
 - e-DAMIS Web services for datasets transmitting
 - ESS Metadata Handler for Quality report filling
- Filling of Quality report for actual reference year
- Studying on use of existing statistical and administrative data as a basis for production of BS
- Improve of the data quality

Conclusions regarding current and future production of Business services

There are two entities within Bosnia and Herzegovina and three institutions, one on state level (BHAS) and two on entity level (FIS and RSIS) responsible for producing statistics. BHAS in its composition has a branch in Brčko, which is partly responsible for the production of statistics for Brčko District (BD). All three institutions will be engaged in producing of SBS Annex VIII - Business services. Therefore, the following conclusions are together discussed and agreed:

- Finalization of production of Business services for 2014. reference year
 - final datasets need to be produced, validated and transmitted to Eurostat
- RSIS will make the necessary change in the questionnaire about residence of client.
- Timely preparation and carrying out of regular production of Business services for 2015. reference year (annual and biannual)
- New biannual appendixes of questionnaires for Annex I of SBS survey have to be prepared for the following NACE activities:
 - Architectural and engineering activities and related technical testing and analysis(NACE Rev.2 group 71.1 and 71.2)
 - Market research and public opinion research (NACE Rev.2 group 73.2)
- Final instructions for filling and methodological instructions have to be prepared for the selected questionnaires.
- Regular Business services survey for the selected NACE activities will be carried out within the SBS survey for 2015. reference year.

Action	Deadline	Responsible institution
Preparation of final datasets for transmission to Eurostat	End of March 2016	BHAS
Primary and secondary confidentiality treatment of datasets	End of April 2016	BHAS
Validation of final datasets according to the latest version of Edit Tool software.	End of May 2016	BHAS
Transmission of final datasets to Eurostat.	End of June 2016	BHAS

The general plan to finish production of Business services for 2014. reference year were agreed as follows:

The general plan to regular production of Business services for 2015. reference year were agreed as follows:

Action	Deadline	Responsible institution
Preparing final annual and biannual appendixes of questionnaires for Annex I of SBS survey for 2015, for the selected NACE activities.	End of February 2016	BHAS, FIS and RSIS
Selecting statistical units and creating address book.	End of March 2016	BHAS, FIS and RSIS
Preparing and carrying out Business services survey for the 2015 reference year	End of September 2016	BHAS, FIS and RSIS