

TWINNING CONTRACT

BA 15 IPA SR 01 17

Support to the reform of the statistics system in Bosnia and Herzegovina



MISSION REPORT

Activity 2.B.2:

Improving quality by increasing use of administrative data

Component 2: Business Statistics

Mission carried out by
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Table of contents

1. General comments	3
2. Assessment and results	3
3. Conclusions and recommendations	5
Annex 1. Terms of Reference	8

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

1. General comments

This mission report was prepared within the EU Twinning Project "Support to the reform of the statistics system in Bosnia and Herzegovina". It was the first mission in BiH to be devoted to the general use of administrative data in producing statistics within Component 2 of the project.

The purposes of the mission were:

- To identify benefits and challenges with increased use of administrative data in producing statistics in general and in BiH in particular
- Share experience from BiH, Denmark and Finland
- Meet with public administrative data owners to increase awareness on the importance of administrative data
- To identify first input to an action plan on how to increase use of administrative data for producing statistics in BiH

The consultant would like to express his/her thanks to all officials and individuals met for the kind support and valuable information which he/she 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, CBBH, Statistics Denmark, INSEE, Statistics Finland and Croatian Bureau of Statistics.

2. Assessment and results

Improving quality by increasing use of administrative data

Day 1

The day began with briefings, discussing programme and preparation of the mission.

The meeting hereafter was hosted by CBBH.

After a welcome by Vice Governor of the CBBH Želimira Raspudic, the group of experts and participants were introduced to the purposes of the mission and agreed on the agenda for the mission.

Mr. Carsten Zangenberg, presented the Danish experiences with use of administrative data especially with regards to social statistics and population and housing censuses– also in a historic perspective – with address to both benefits and challenges.

Head of Department for Statistics and Publication in CBBH Amir Hadziomeragic presented the importance of administrative data; benefits and challenges; the issue of public trust and data security; management priority and ideas how to make it a priority in BiH.

The following discussion particularly addressed issues such as the law related institutional set-up in relation to production of statistics in Bosnia and Herzegovina, challenges in access to coherent and official administrative data, but also considerations about costs and the need for will and competencies in both authorities with responsibility for administrative data and authorities with responsibility for statistics.

The discussion gave a common impression that there is a potential for statistical use of administrative data in BiH, that it is already being used in some areas, but also that there are different categories of challenges that must be faced and solved.

Day 2

On the second day of the mission Mr. Timo Laukkanen presented the situation in Finland concerning the use of administrative data in statistical production.

Finnish statistical production is relying very heavily on the use of administrative data. A register based statistical approach is widely accepted in society in every level from private persons to policy makers. The benefits and the downsides of using the administrative data was presented on general level, highlighting some issues with examples from business statistics.

Cost effectiveness is one of the main drivers for developing the use of registers. On the negative side high dependency of the data providers can cause major problems to established statistical systems. Many of the administrative data providers are also heavy-users of the statistics, which simplifies the conversation between different institutions. The role of regular meetings and standard form agreements in different organisational levels (from Director Generals to day-to-day expert work) is very important and helps the cooperation between different administrative bodies.

The three statistical institutions from BiH (BHAS, RSIS, FIS) delivered their respective presentations on the use of administrative data for statistical production and shared their experience.

The following discussion pointed out some of the major issues which are present when considering improving the register data utilisation in BiH. Some of the key institutes are willingly cooperating with the statistical offices where as some administrative data owners simply refuse all co-operation with the statistical offices. Despite several attempts, and the existing legislation stating the access of statistical bodies to these data, there has been no major achievement there. The tools for tackling this kind of problems at the statistical offices or at expert level are very limited. Considering the overall benefits for the society, these problems should be taken on a higher policy-making level and try to increase the overall awareness of the importance of these data to statistical production.

Setting long-term goals does not exclude the need to develop the use of available administrative data at the operational level. We need to develop and share ideas on how statistical offices could improve the quality of different administrative registers, and thus create some surplus for the organisations in charge of the maintenance of the registers. Of course, this must be done without compromising the basic statistical principles such as data confidentiality rules, or existing legislation.

Day 3

On the third day of the mission representatives of different administrative bodies were invited to take part on the meeting. Present were persons from Indirect Taxation authority of BiH and BiH Ministry of Finance and Treasury, as well as persons from RSIS, FIS, BHAS and CBBH. The aim was to present different aspects of administrative data especially to the data providing institutes. The Danish expert Mr Carsten Zangenberg gave a presentation about the use of administrative data in statistics, enlightening the importance of different data sources in different statistical domains. In general, everybody agreed that there is a need for sharing data among different bodies and entities, but that doing this is not always easy in BiH.

On the following discussion, the need of high level co-operation and coordination was recognised, as most of the data sharing issues are such that they require policy decision making. Both present data providing organisations: Indirect Taxation authority of BiH and BiH Ministry of Finance and

Treasury, were greeted with great pleasure and it was mentioned, that there is a good co-operation with the respective statistical institutions. These data providers also showed great interest for the statistical production processes and the new information that statistics could provide by having adequate administrative data available.

3. Conclusions and recommendations

There is a greater potential for using administrative data in the production of official statistics in Bosnia and Herzegovina.

Administrative data is already being used in the production, but sharing of common and unique identifiers and common base systems (such as in the case of the common business register) is not established in general.

It became clearer during the mission that there are untapped opportunities, but also that there are many and also great challenges, both administrative and technical.

Major challenges that emerged during the mission include:

- Uncertainty about legal possibilities for data exchange between public authorities - including statistic producing institutions.
- Development of (common) databases of persons and businesses.
- Development of (common) IT systems.
- Knowledge and competences in the use of administrative data
- Development of imputation techniques and development of applications for processing defective administrative data files
- Handling of sensitive information

It is also clear that the contacts and agreements between data providers in the public administration and the producers of the official statistics can be improved and possibly harmonized.

The staff of the statistical institutions expressed willingness to further develop the use of administrative data in statistical production.

The experts recommend the following actions for the preparation and implementation of future missions:

Action	Deadline	Responsible person
Preparation of an overview of the use and existence of administrative data in the production of official statistics. The overview should cover the production of official statistics and written agreements and MoUs in BHAS, FIS, RSIS and CBBH	1. September 2. October	Carsten Zangenberg sends template FIS, RSIS, BHAS and CBBH send filled out templates to Katja Hjelvang
Provide extracts from statistical laws regarding administrative data and exchange thereof for	End of July	To be sent to Carsten by all 4 statistical producers

the purpose of statistical production.		
Identification of possible areas for experimental studies in order to use more administrative data in statistics production.	Before mid-September	Proposals and ideas to be sent to Katja and Carsten

Topics for the next mission

The experts will recommend that the next mission focus on specific statistical areas, where today administrative data are used in the production of statistics. But also that specific areas are identified where the use of administrative data can give a greater value than is the case today.

The experts believe that it could be of value to the project if a draft map of the administrative data used for statistics in BiH can be prepared during the next mission. The mapping should include the most significant characteristics of the different data types as well as the indication of the data owner.

Finally, the experts recommend that specific methods and techniques for imputation and editing be presented and discussed in relation to specific applications of administrative data in statistics production.

Signatures

For the approval of the contents of this report, representatives from BHAS, FIS, RSIS, CBBH as well as MS experts and the RTA sign here:

Date: 05 of July 2019

Component leader, BHAS

Component leader, FIS

Component leader, RSIS

CBBH

MS Expert

MS Expert

RTA

Annex 1. Terms of Reference

Terms of Reference

EU Twinning Project BA 15 IPA ST 01 17

Component 2: Business Statistics

2 - 5 July 2019

Hosting institution: Central Bank of Bosnia and Herzegovina

Mehmeda Spahe 3, Sarajevo

Activity 2.B.2: Improving quality by increasing use of administrative data

1. Purpose of the activity

- To identify benefits and challenges with increased use of administrative data in producing statistics in general and in BiH in particular
- Share experience from BiH, Denmark and Finland
- Meet with public administrative data owners to increase awareness on the importance of administrative data
- To identify first input to an action plan on how to increase use of administrative data for producing statistics in BiH

2. Expected output of the activity

- Benefits and challenges of an increase use of administrative data identified and discuss on how to handle the challenges held
- Current experiences from BiH, Denmark and Finland shared
- Meeting with public administrative data owners held
- Identification of first input to an action plan on how to increase use of administrative data for producing statistics in BiH
- Input provided to the ToR of next activity (2.B.4: Improving quality by increasing use of administrative data I)

3. Participants

Agency for Statistics of BiH (BHAS)

- **Anita Brković**, *Senior officer for statistics of construction, Department for Industry and Construction Statistics*
- **Radomir Mutabdžija**, *Senior officer for industry, Department for Industry and Construction Statistics*
- **Amra Ibrahimagić**, *Advisor, Department for development of social statistics*

- **Ivona Bulić**, *Head of Department for Public Relations and Users, Library*
- **Edina Kozić**, *Head of Department for National Accounts*
- **Goran Slatinšek**, *Head of Department for International Trade Statistics*
- **Rubina Ligata**, *Head of the Price Statistics Department*
- **Ivana Tavra Čolo**, *Senior Official in Department for Statistical Business Register and Economic Classifications*
- **Aida Kondo**, *Advisor for migration statistics and natural movement population*
- **Dajana Mrgud**, *Advisor for Living Conditions*
- **Nermina Pozderac**, *Advisor for Energy and Regional Statistics*
- **Jasna Samardžić**, *Head of International Cooperation Department and European Integration*

Central Bank of Bosnia and Herzegovina

- **Želimira Raspudic**, *Vice-governor*
- **Amir Hadziomeragic**, *Head of Department for Statistics and Publication*
- **Snezana Janjic**, *Head of MFS section*
- **Ervin Zolić**, *Head of GFS section*
- **Suzana Kozinovic Licanin**, *Senior expert for BoP*

Institute for Statistics of Federation of BiH (FIS)

- **Alma Čolpa**, *Senior advisor for structural business statistics*
- **Merima Hadžalić**, *Senior Advisor for Business Services*
- **Ajdina Jerković**, *Associate for construction statistics*
- **Envera Hurić**, *Senior Advisor to register and classification*
- **Amar Bisić**, *Senior Associate for Registers*
- **Samka Avdić**, *Head of Department for Labour Market Statistics*
- **Mujesira Salihović**, *Senior Advisor to the statistics of wages and labor costs*

Institute for Statistics of Republika Srpska (RSIS)

- **Jelena Đokić**, **Assistant Director Mladen Marić**, *Head of Division for Data Entry, Application Development and Database Administration - IT and Publications Sector*
- **Nada Malinović**, *Head of Registers, Samples and Classifications Division - National Accounts, Registers and Price Statistics Sector*
- **Dragana Mandić**, *Senior Statistician for Migration Statistics - Demographic and Social Statistics Sector*
- **Lazo Šegrt**, *Senior Advisor for Structural Statistics in Agriculture*

Other stakeholders taking part in the activity

- Ministry of Finance
- Ministry of Foreign Trade and Economic Relations
- State Border Service
- Tax authorities

- FIA and APIF (Balance Sheet Offices)

MS Experts

- Carsten Zangenberg, Director, Statistics Denmark
- Timo Laukkanen, Senior Statistician, Statistics Finland

Twinning Project Administration

- Katja Møller Hjeltvang, RTA
- Djemka Šahinpašić, RTA Assistant
- Lejla Efendić, Interpreter

Agenda

Location: CBBH, Mehmeda Spahe 3, Sarajevo

Time	Day	Place	Event	Purpose / Details
9:00-12:00	2 July Tuesday	Hotel	MS experts briefing with the RTA	Discuss the programme
				Preparation of activity
13:00-15:30	2 July Tuesday	CBBH	Meeting with BC Experts	Welcome by Vice Governor of the CBBH
				<p>Introduction, agreement of the agenda (MS experts)</p> <p>MS experts make general presentation on the importance of administrative data; benefits and challenges; the issue of public trust and data security; management priority; how to make it a national priority</p> <p>MS presentation of the Danish experiences with extensive use of administrative data</p> <p>BC experience with administrative data:</p> <ul style="list-style-type: none"> - CBBH presents experience with administrative data for government finance statistics
9:00-12:00	3 July Wednesday	CBBH	Meeting with BC Experts	MS presentation of the Finnish experiences with extensive use of administrative data
				<p>BC experience with administrative data:</p> <ul style="list-style-type: none"> - RSIS presents experience with vital statistics and unemployment - FIS presents a general overview of the administrative sources - BHAS presents a general overview of the administrative data sources currently used and future plans for increasing cooperation <p>Discussion on the challenges of getting access to administrative data in BiH and challenges in the current system in BiH</p>

13:00-15:30	3 July Wednesday	CBBH	Meeting with BC Experts	Discussion on how to address the challenges in BiH Preparation of the meeting with other public authorities
9:00-12:00	4 July Thursday	CBBH	Meeting with other relevant public authorities	Meeting with owners of administrative data. To present and discuss: What is administrative data, why is it important for statistics, how it can be used, benefits and challenges; the role of responsibilities of other public authorities
13:00-15:30	4 July Thursday	CBBH	Meeting with BC Experts	What did we learn from the meeting with other public authorities? How to draft MoUs/data transfer agreements – experiences so far and what are the lessons from BiH, Denmark and Finland
8:30-12:00	5 July Friday	CBBH	Meeting with BC Experts Debriefing with RTA	Presentation of MS experts' findings and agreement on the reached conclusions Agreement on summary mission report Identification of work to be done until next activity. Input to ToR of next activity Conclusions and next steps