

**TWINNING CONTRACT**

**BA 12 IB ST 01**

# **Support to the State and Entity Statistical Institutions, phase VI**



## **STUDY VISIT REPORT**

**on**

**National Accounts**

**Activity 1.5.**

**Study visit to Finland**

11- 13 May 2015

Version: Final

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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

## Executive Summary

Study visit for Agency for Statistics of Bosnia and Herzegovina, Institute for Statistics of Federation of Bosnia and Herzegovina, Institute for Statistics of Republika Srpska and Central Bank of Bosnia and Herzegovina was organized in order to introduce participants with current practice and experiences in implementation ESA 2010.

The following topics were covered:

1. Introduction to Statistics Finland
2. Back-casting methods
3. Estimation of non-observed and illegal activities
4. FISIM calculations
5. Cooperation with Central Bank and the Ministry of Finance
6. PIM model, consumption of fixed capital
7. SDMX-reporting
8. VAT base calculations

## 1. General comments

This report was prepared within the Twinning Project "Support to the State and Entity Statistical Institutions, phase VI". It was the Study visit to Statistics Finland on NA within Component 1 National Account of the project.

The purposes of the mission were:

- Presentation of the Finnish National accounts – comparison with the system in BiH
- Possibilities for applying calculation methods applied in Statistics Finland
- Discussions on concrete issues regarding implementation of IPA 2012 Project and its role in development of BiH statistics

BC experts (participants of the study visit) would like to express big gratitude to all officials and individuals met, for good organisation, kind support and valuable information received during the study visit.

## 2. Lessons Learned

In the first day of the study visit participants were introduced with information on historical development, organisational structure, operation and resources of Statistics Finland. Participants were also informed about Finnish National Accounts, their organisation, areas in compilation, sources, work process, timetable and dissemination. In comparison with statistical system in Bosnia and Herzegovina, in Finland a significant flow of data comes from administrative sources. An expert also presented calculation mechanisms in the IT system. Participants were introduced to two different ways

for back-casting with practical examples related to implementation of NACE Rev.2, capitalisation of military and research and development expenditures. In the process of implementation ESA 2010, back-casting is one of the biggest problems, especially in calculation of consumption of fixed capital. Participants were also able to see theoretical background for estimation of non-observed and illegal activities with main data sources.

The second day of the study visit was dedicated for FISIM, capital stock model and SDMX-reporting. Experts presented historical overview and development of available data sources for FISIM calculations. Special attention was devoted to cooperation with the Central Bank and the Ministry of Finance as co-producers of financial statistics, data suppliers and users of data. BiH has only made experimental calculations of consumption of fixed capital, and participants were especially interested to introduce the Finnish experiences in capital stock calculations in BiH. Next topic was SDMX-reporting. Participants realised the importance of SDMX for data exchange with Eurostat and other international institutions.

During the third day experts presented VAT-base calculations. The expert from the Ministry of Finance explained calculating VAT own resources base. Afterward, expert from Statistics Finland presented calculation of Weighted Average Rate, main sources and calculation methods. We were also able to see practical examples of calculation of tax base for intermediate consumption of NPISH. The next session was reserved for estimation of housing output, where experts presented main sources and steps in calculation of housing in Finland. The last session was dedicated to concluding remarks and planning of forthcoming activities.

### **3. Conclusions and recommendations**

1. We gained a lot of knowledge and useful experiences during this Study visit. Different topics covered in the study visit are directly related to our activities that will be carried out through our IPA 2012 Project.
2. BC will consider the possibility to implement similar procedures used by Statistics Finland in BiH statistical system which will contribute to further harmonization of BiH statistics with EU requirements.

## Annex 1. Programme

### Study Visit of BiH Statistical Authorities and Central Bank to Statistics Finland

Component 1, Activity 1.5 of Twinning project Support to the State and Entity Statistical Institutions, phase VI, Bosnia and Herzegovina

**Date** Monday 11th May - Wednesday 13th May, 2015

**Venue** Statistics Finland, meeting room 10th floor, address: Työpajankatu 13, Helsinki

#### Monday 11 May 2015

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9.00–10.00 **Welcome and introduction to Statistics Finland, practical matters**

Ari Tyrkkö, Ulla-Maarit Saarinen

10.00–10.30 **Introduction to the programme**

Tuomas Rothovius

10.45–12.00 **Finnish NA accounts –compilation, publication**

Tuomas Rothovius

**Lunch**

13.00–14.15 **Back-casting methods**

Mika Sainio

14.30–15.30 **Estimation of non-observed and illegal activities**

Merja Myllymäki

#### Tuesday 12 May

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9.00–10.30 **FISIM calculations**

Vesa Savolainen

10.45–12.00 **Cooperation with Central bank and the Ministry of Finance**

Matti Okko

**Lunch**

13.00–14.15 **PIM model, consumption of fixed capital**

Perttu Pakarinen, Päivi Väisänen

14.30–15.30

**SDMX-reporting**

Antti Pasanen

**Wednesday 13 May**

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9.00–10.15

**VAT base calculations**

Reetta Varjonen-Ollus, Katri Soinne

10.30–12.00

**Other topics, to be specified during the visit**

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**Lunch**

13.00–14.30

**Concluding remarks, planning of forthcoming activities**

Matti Okko, Tuomas Rothovius, Mika Sainio

## **Annex 2. Persons met**

### ***Participants of Bosnia and Herzegovina:***

#### ***Agency for Statistics of Bosnia and Herzegovina (BHAS)***

Dijana Mlikota, Assistant Director for Macroeconomic Statistics

Edina Kozić, Head of National Accounts Department

Rade Čolaković, Senior Officer

Vanja Erak, Junior Officer

#### ***Institute for Statistics of Federation of Bosnia and Herzegovina (FIS)***

Nermina Ibrišević-Ademović, Head of National Accounts Department

Zumreta Dugalija, Senior Adviser

Danijela Bujak-Buzuk, Senior Adviser

Sanjin Čengiđ, trainee in the National Accounts Department

#### ***Institute for Statistics of Republika Srpska (RSIS)***

Rada Radanović, Head of Department for National Accounts

Dijana Maleš, Senior associate for investment, national wealth and consumption of fixed capital

Žana Alagić, Senior Associate for non financial sector

Jadranka Luburić, Senior Associate for the household sector and non-profit institutions

#### ***Central Bank of Bosnia and Herzegovina (CBBH)***

Amir Hadziomeragic, Head of Statistics and Publications Department

#### ***Twinning Project***

Haris Imamovic, Interpreter

### ***Participants of Finland:***

#### ***Statistics Finland***

Mr Ari Tyrkkö, Head of unit, Office of Director General

Ms Ulla-Maarit Saarinen, Planning officer, Office of Director General

Mr Matti Okko, Head of unit, Department of Economic and Environmental Statistics

Mr Tuomas Rothovius, Senior statistician, Department of Economic and Environmental Statistics

Mr Mika Sainio, Project manager, Department of Economic and Environmental Statistics

Ms Päivi Väisänen, Senior statistician, Department of Economic and Environmental Statistics

Mr Antti Pasanen, Senior statistician, Department of Economic and Environmental Statistics

Ms Katri Soinne, Senior statistician, Department of Economic and Environmental Statistics

Ms Merja Myllymäki, Senior statistician, Department of Economic and Environmental Statistics

Mr Vesa Savolainen, Senior statistician, Department of Economic and Environmental Statistics  
Mr Perttu Pakarinen, IT-specialist, Department of ICT Management

***Ministry of Finance, Finland***

Ms Reetta Varjonen-Ollus, Senior financial officer