

# TWINNING CONTRACT

2023/447-234



## EU for Further Development of Statistics System in BiH



## MISSION REPORT

### Activity 5A: Assessment of Progress on Monthly Balance of Payment Component 5 - Monthly Balance of Payments Statistics

Mission carried out by

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08-10 October 2024

Version: Final

EU FOR FURTHER DEVELOPMENT OF STATISTICS SYSTEM IN BIH



Funded by  
the European Union



STATISTICS  
DENMARK



REPUBLIC OF SLOVENIA  
STATISTICAL OFFICE

Statistics Finland

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## Table of contents

Executive Summary .....	4
1. General comments .....	4
2. Assessment and results .....	4
3. Conclusions and recommendations .....	5
4. What to do before the next mission .....	6
Annex 1. Terms of Reference for the current mission .....	7
Annex 2. (input for the) Terms of Reference for the next mission .....	8
Annex 3. Persons met .....	9



## List of Abbreviations

BC	Beneficiary Country (Bosnia and Herzegovina)
BiH	Bosnia and Herzegovina
CBBH	Central Bank of Bosnia and Herzegovina
EU	European Union
EUD	European Union Delegation of Bosnia and Herzegovina
LA	Language Assistant
MS	EU Member State
RTA	Resident Twinning Adviser
RTAA	Resident Twinning Adviser Assistant
ToR	Terms of Reference



## Executive Summary

CBBH has readiness to produce monthly BoP against rest of the world. During this project their aim is to further analyze and improve the methodology used in the compilation and to produce the monthly BoP outputs for the past years beginning from 2015 with the revised methodology. After this task, CBBH will proceed to producing monthly BoP figures with the geographical breakdown included for a selected reference year. It is recommended that the methodologies are analyzed and revised also in the future, aiming towards preparedness to be able to meet the monthly BoP requirements following the data transmission calendar published by Eurostat.

Data transmission process to Eurostat presented by CBBH staff follows the process set by Eurostat. One way of improving the data consistency between other countries and international organisations could be the use Fusion Metadata Registry software. It allows the national agencies to download BoP DSD information defined by Eurostat and ECB in the system.

For this project it is recommended that data collection and processing, and data transmission processes are compared and if possible linked to the General Statistical Business Process Model (GSBPM) published by UNECE to further improve the general adaptivity of statistical production.

## 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 first mission to be devoted to the Monthly Balance of Payments Statistics Component of the Project.

The purposes of the mission were:

- Assessment of the current status/progress on balance of payment
- Development of work plan for the project
- Mission report
- Preparation of ToR for next activity

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, and which highly facilitated the work of the consultants.

This views and observations stated in this report are those of the consultant(s) and the RTA and do not necessarily correspond to the views of EU, CBBH, Statistics Denmark or Statistics Finland.

## 2. Assessment and results

During the previous EU Twinning project (*Further Support to the Reform of Statistics System in Bosnia and Herzegovina, Component 5: Methodology for the compilation of the Monthly Balance of Payments Statistics developed and aligned with EU standards*), CBBH produced a preliminary monthly report of BoP against the rest of the world (RoW) for reference year 2019. CBBH

additionally prepared a methodological note on the compilation of monthly BoP. The current project begins with the same baseline as the monthly production has not been advanced since the last visit.

When it comes to the current state of preparedness of CBBH to disseminate monthly data, there is a process for the data transmission that is currently used in CBBH for quarterly and annual data transmissions. The data with BOP DSD dimensions is saved as an Excel file. The file is then converted to sdmx-format xml-file in Eurostat's EDAMIS online services. File goes through the STRUVAL and CONVAL validations and after these rules are met the file is uploaded to Eurostat.

CBBH is currently working with the implementation of an in-house application for data processing. They are trying to adopt the software as a data processing tool for trade credits and advances annual survey. There is also a financial plan on implementing the same processing tool on some other data sources.

CBBH staff is planning on applying their current monthly BOP methodology for years 2015-2018. After the methodology is applied they will analyse the results based on the consistency with the annual/quarterly BoP figures. After analysis the methodologies will be adjusted to better fit the annual/quarterly data and also to check whether new sources or indicators are needed for monthly production. The adjusted methodologies will be tested on data for following years.

Monthly BOP requirements from Vademecum are only met on aggregated counterpart level by CBBH. To meet the requirements CBBH should implement their plan on deriving the counterpart area distribution. Activities on GEO distribution will follow immediately after monthly estimates against the world are finalized. The current EU legislation does not oblige the consistency between monthly and quarterly BOP figures. However, CBBH is planning to follow the revision policy of monthly data to provide consistency with quarterly/annual data.

The timeline of the aforementioned next steps was discussed during the mission and written out into a work plan covering the rest of the project.

### 3. Conclusions and recommendations

CBBH has readiness to produce monthly BoP against rest of the world. During this project their aim is to further analyze and improve the methodology used in the compilation. Another objective in this project is to produce the monthly BoP outputs for the past years beginning from 2015 with the revised methodology. After the methodology is found satisfactory, the focus of the project proceeds to compiling monthly BoP figures with geographical distribution included in a chosen reference year and as stated in Vademecum.

It is recommended that the methodologies are analyzed and revised also in the future, aiming towards preparedness to be able to meet the monthly BoP requirements following the data transmission calendar published by Eurostat.

Data transmission process to Eurostat presented by CBBH staff follows the process set by Eurostat. One way of improving the data consistency between other countries and international organisations could be the use Fusion Metadata Registry software. It allows the national agencies to download BoP DSD information defined by Eurostat and ECB in the system. This information includes metadata, that is for example the defined dimensions, variable lengths and also hierarchies required in the transmission. Fusion Metadata Registry will hopefully in the future cover additionally the validation rules and datalines required in the transmission.

For this project it is recommended that data collection and processing, and data transmission processes are compared and if possible linked to the General Statistical Business Process Model (GSBPM) published by UNECE to further improve the general adaptivity of statistical production.

#### 4. What to do before the next mission

Action	Deadline	Responsible person
Application of the methodology developed in the previous project to reference years 2015-2018	April 2025	CBBH staff
Update of methodological note	April 2025	CBBH staff

## Annex 1. Terms of Reference for the current mission

### Terms of Reference

**EU Twinning Project BA 19 IPA ST 01 23**

**Component 5 - Monthly Balance of Payments Statistics**

**Timing: 08 (at 10 a.m.) - 10 October 2024**

**Venue: Central Bank of Bosnia and Herzegovina, Mehmeda Spahe Street, Sarajevo**

**Bosnia and Herzegovina**

#### **Activity 5A: Assessment of Progress on Monthly Balance of Payment**

The Project will start with a status on the progress made on monthly BoP since the previous Twinning Project, when a pilot compilation for the year 2019 was made. Based on the status, a work plan for the Project will be made. The objective is to calculate monthly BoP for more years and to potentially include geographical distributions. A needs analysis for automated data transmission and for meeting the BoP Vademecum requirements is planned to be carried out during the Project.

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

Plan for further improvements in data collection and processing related to external sector statistics developed in line with the EU BoP Vademecum requirements.

Defined IT infrastructure and procedure required for automated data transmission and data availability.

2. **Purpose of the activity:**

- Assessment of the current status/progress on balance of payment
- Development of work plan for the project
- Mission report
- Preparation of ToR for next activity

3. **Expected output of the activity:**

- Assessment of the current status for Balance of Payment made
- Detailed work plan made
- Mission report drafted
- ToR for next activity drafted

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

<b>Activity 5B</b>	<b>Final Monthly Balance of Payments Outputs Against Rest of the World and Revised Methodology</b>
<b>Budget section</b>	III. Components Mandatory Results – Component 5
<b>Subject</b>	<ul style="list-style-type: none"> <li>• Presentation of monthly BOP outputs for reference years 2015-2019</li> <li>• Presentation of revised monthly BOP methodology based on analysis made from reference years 2015-2019</li> <li>• Planning of the next steps to meet monthly BOP requirements including GEO distribution for a selected reference year</li> <li>• Preparation of ToR for next activity</li> </ul>
<b>Methods</b>	STE mission in BiH
<b>Resources</b>	MS: Reetta Karinluoma, and Risto Sippola, Statistics Finland RTA, RTAA and LA BC: Relevant staff expected to be involved in component 5
<b>Duration</b>	2 STEs x 3 working days for MS staff
<b>Output</b>	<ul style="list-style-type: none"> <li>• Presentation of monthly BOP outputs for reference years 2015-2019 given</li> <li>• Presentation of revised monthly BOP methodology based on analysis made from reference years 2015-2019 given</li> <li>• Planning of the next steps to meet monthly BOP requirements including GEO distribution for a selected reference year carried out</li> <li>• ToR for next activity prepared</li> <li>• Mission report</li> </ul>
<b>Time schedule</b>	April 2025



## Annex 3. Persons met

### CBBH:

- Vedran Milisav, Head of BoP Section
- Suzana Kozinovic-Licanin, Expert for BoP Statistics
- Aida Kalco, Expert for BoP Statistics

### RTA Team:

- Niels Madsen, RTA
- Larisa Muslimovic, RTA Assistant

### Signatures

For the approval of the contents of this summarized report, representative from CBBH as well as the MS experts and the RTA sign here:

Date: *October 10, 2024.*

*[Signature]*  
\_\_\_\_\_  
Component leader, CBBH

*[Signature]*  
\_\_\_\_\_  
RTA

*[Signature]*  
\_\_\_\_\_  
MS Expert

*[Signature]*  
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MS Expert