



January 2014

### Contents

Overview 4 <sup>th</sup> quarter 2013	1
A Component Leader's Perspective	3
Coming up in the 4 <sup>th</sup> quarter	4
Extra-curricular activities	5
Contact information	6

### The 4<sup>th</sup> Quarter 2013 at a glance

Dear readers,

this newsletter marks the end of 2013, the second calendar project year of the project.

44 short-term-expert missions and two study visits were conducted in 2013. 88 colleagues from EU-countries worked in Skopje and 348 Macedonian colleagues took part in the organized short-term missions.

10 short-term missions\* were conducted in the fourth quarter of 2013. The table below provides a short summary of activities listed by component:

Component	Expert missions	No. of involved EU experts
1	4	7
2	3	5
3	2	4
4	1	2
<b>Total</b>	<b>10</b>	<b>18</b>

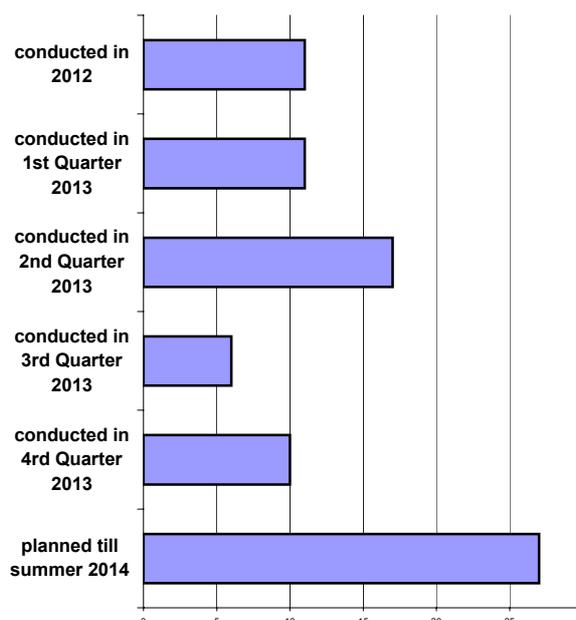
\* Two more missions started on 30th September 2013 and were reported on in the previous newsletter.

Six missions started on or ahead of schedule, one with a small delay of less than one month and two with a delay of about two months. The remaining mission was implemented in November 2013.

The largest number of activities was conducted within component 1. In mission 1.1.1.10

experts proceeded to integrate sectoral accounts. Besides the covered topics (balancing sector accounts for 2008, 2009 and 2010 and identifying problems related to this topic) EU grants, social contributions, transfer from the old to the new NACE as well as the relationship between Supply-use tables and Annual sector accounts were also discussed.

### Short-term-expert missions in the project - state on end of 2013



The main topic of discussion in mission 1.2.2 was seasonal adjustments in the quarterly accounts-revision data.

Mission 1.3.1.3 continued with further work on drafting practical methods for the transfer of data from the national accounts to the new Statistical Classification of Economic Activities in the European Community (NACE), Revision 2.



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAND-  
ARDS**



Elaborating on methods for the implementation of health accounts was the main topic of discussion within mission 1.3.2.1. In this context, a fruitful discussion with several institutions was initiated (Ministry of Health, Health Insurance Fund of Macedonia, Institute for Public Health and member of the Office of the Prime Minister of the Republic of Macedonia) for the development of health care accounts based on the SHA-manual (System of Health Accounts). It was decided to further coordinate work on this topic.

A key topic of the National Accounts component is the interpretation and explanation of the business accounting information in Macedonia. The goal is to make usage, processing and integration of Macedonia's National Accounts possible. This task will be carried out with the assistance of a consulting company, as planned. It was agreed that the intended knowledge transfer be carried out in consultation with SSO staff. Consultation began on the 2nd of October and 11 such sessions will have been carried out by the end of 2013.

In component 2, consultation has continued in accordance with the work plan. Within mission 2.5.1.2 ways of filling in the EU and UN questionnaires in crime statistics were discussed as a tool for comparing two hierarchical criminal codes ("mapping").

In Mission 2.5.4.3 methods for the improvement and publication of Laeken indicators as a tool for the measurement of poverty and social exclusion were further reviewed. Within the mission, experts also discussed the upcoming study visit, which is planned to be held in Germany at the beginning of the next year.

Cultural indicators were covered in mission 2.5.3.1, during which the European Statistical System framework for cultural statistics was introduced. MS experts also presented Denmark and Bulgaria's respective practices.

In order for the cultural indicators data to be comparable with the European data, experts recommended use of the international classification system NACE Rev. 2 and the International Standard Classification of Occupations (ISCO) 2008



*Academic and scientific research community meeting at the State Statistical Office*

In component 3 the State Statistical Office organised the meeting, "Possibility of access to microdata for scientific research purposes", which was attended by academic community from of Skopje. The meeting was organized as part of the expert mission covering the topic "Trade-of between data protection and the usability of data".

In mission 3.1.1.4 the DESAP questionnaires were further discussed as well as the implementing of the second DESAP self-assessment surveys. DESAP is the generic checklist for quality assessment of surveys in the European Statistical System.



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAND-  
ARDS**



The main topics in mission 4.2.5 were assessment of progress made in IT development and further testing of submitted applications. Equally as important were the presentation on the projects' figures, which allowed the respective component leaders to gain a realistic picture of the project's progress. Below is a brief interview with Ms. Panova Verka from SSO, Component 1 Leader and Senior Programme Officer within the Twinning project.

comparability of data pertaining to the economy, the GDP and other economy aggregates with all other countries.

Furthermore, the intention of this component was to transform the data published on the national accounts in the current Classification of Activities (NACE Rev.1), into data according to NACE Rev.2 for the 2000-2008 series, and that was implemented. The method selected for work in this Component was shown to be very appropriate since it provides work with real data as well as training about the methodological changes that will be delivered with the implementation of the ESA 2010.

### A Component leader's perspective

#### *Interview with Ms. Panova, Component 1 Leader*



The missions will focus on the sectoral accounts that provide information about several most important aggregates for each institutional sector of the economy: the gross-domestic product, the savings and the indebtedness.

Additional parts of this component are also the missions related to development of the quarterly season data, which are very important process that ensures comparability of the serial data as well as the missions on the sustainable indicator missions and the health accounts.

#### **1. What are the key areas and project goals in your component?**

Component 1 of the "Harmonization of the National Accounts Statistics" twinning project was designed as component with largest number of hours for the technical missions because the actual implementation of the European System of Accounts (ESA 1995) and ESA 2010, as methodological frames, provides

#### **2. Are you satisfied with the current state of realization of the project goals?**

In general, the missions are implemented as planned. This resulted in the development of non-financial accounts tables per institutional sectors for the 2008-2010 time period, which integrate many methodological improvements related to the implementation of the ESA 1995 methodology, especially inclusion of data that were not properly determined from methodological aspect in the regular work, such as the income in kind, the thoroughness of the non-



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAND-  
ARDS**



included information, through their evaluation from the current sources.

**3. Can you indicate some specifics related to the activities in your component?**

One of the biggest benefits from the Twinning Project in this Component is the improved operational process of the Sector for National Account, with the calculation of the GDP and added value data, by balancing the data between the sectors and by using the Supply Use tables. This experience was actually used for development of the data for 2012.

One of the biggest achievements through this Project is the calculation and valuation of own production, the calculation of depreciation and the assets value using the continuous inventurization model (PIM), the reclassification of the institutional units. Special attention was paid to the development of the State Sector account.

The above improvements will result in revision of the data that has been published since the year of 2000 onwards. This revision is planned for 2014 when the most important methodological changes from ESA 2010 influencing the GDP are expected to be implemented, such as the calculation and capitalization of the research and development as basic asset for calculation of the military equipment as basic asset, the reclassification of the financial sector in accordance with the new classification from ESA 2010.

In order to harmonize the sectorization of the institutional units, an inter-institutional group was established with a mandate to continuously work on the sectorization of the units for the needs of data on the national accounts, the monetary and financial statistics.

Especially relevant for the State Statistical Office are the trainings provided by the consultancy accounting company through the twinning project. These increased the professional knowledge of the staff in terms of identifying and explaining of the accounting sources of data in order to identify the categories in the national accounts and in the statistical production in general.

**4. What is your forecast for the remaining time of the Twinning Project?**

There are a few more missions left in this Component, which are very important for the implementation of the main objective. These are the missions for integration of the sectoral accounts, balancing of the data using the permanent prices through the table of offer and use, including testing of the de-seasoned quarterly and annual data series about the added value i.e. the GDP categories.

I want to emphasize again that the experience that was received from the experts was very valuable for the future work of the Sector, pertaining to the business process and the preparation of data. The knowledge acquired in the Sector for National Accounts will contribute towards better quality of the data, more competent and consisted integration of the available sources of information, their analysis and logical interpretation and quicker and more efficient implementation of the ESA 2010.

The work through the twinning project also provided very quality cooperation and integration of the Budget data from the Ministry of Finance and the data from the National Bank; and the exchange of the know-how between the experts from all institutions is a true investment for the future work.

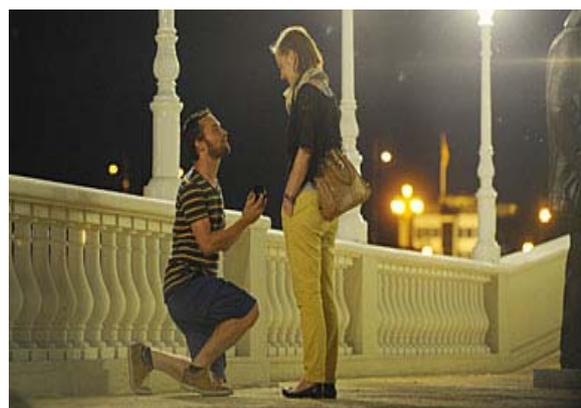


**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAND-  
ARDS**



**Extra-curricular activities**

Macedonia is well worth visiting. Mirko Herzner from Germany certainly found this to be the case when he visited Macedonia for the first time. He was there to pass on his knowledge and experience in quality management with the Macedonian team. He enjoyed his time in Skopje so much that he decided to return - for a very special reason. He went back to visit with his long-time girlfriend and proposed to her next to the National Theater in Skopje. Now the young couple will be linked with Skopje for ever.



*Photos courtesy of Kristijan Teodorov*

**Next activities in 2014\***

Activity No.	Content	Date
1.4.3	Development of the set of sustainable development indicators	27. – 31.01. 2014
2.3.1.3	Organic farming - Assessment of survey results	27. – 31.01.2014
2.4.3	Environmental protection expenditures - Assessment of pilot survey results and future activities	27. – 30.01.2014
2.5.4.4 (study visit)	Laeken indicators	03. – 07.02.2014
2.2.3	External trade – real price and real price import/export indices - Assessment of survey results	17. – 20.02.2014
1.1.1.11	Integration of sector accounts (IV)	24. – 28.02.2014
1.1.2.6	Deflation using supply and use tables approach	24. – 28.02.2014
1.2.3	Seasonal adjustment in quarterly accounts data – Publication of experimental data	17. – 21.03.2014
3.1.1.6 (study visit)	Improvement of processes and process change management, which ensures that SSO provides statistics that comply with the European quality standards	24. – 28.03.2014
2.1.3	Passenger Transport Statistics - Assessment of survey results	25. – 28.03.2014

\* Current state: 31st December 2013



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAND-  
ARDS**



**What remains is to wish all our readers a happy New Year and all our partners a successful continuation of our cooperation.**



**Contacts at a glance**

<b>Project team Members</b>			
<b>Member State Country</b>		<b>Beneficiary Country</b>	
<b>Name</b>	<b>Function</b>	<b>Name</b>	<b>Function</b>
Mr Ringo Raupach	German MS Project Leader ringo.raupach@destatis.de Tel: + 49 228 99 643 8932	Ms Blagica Novkovska, PhD	Beneficiary Country Project Leader blagica.novkovska@stat.gov.mk Tel: + 389 2 3295 665
Mr Leonhard Fix	German MS Project Manager leonhard.fix@destatis.de Tel: + 49 228 99 643 8936	Ms Tatjana Velkova Jovanchevska	RTA Counterpart tatjana.velkova@stat.gov.mk tel: + 389 2 3295 787
Ms Charlotte Juul Hansen	Junior MS Project Leader CJH@dst.de Tel: + 45 39 17 39 37	<b>Component leaders</b>	
		<b>Name</b>	<b>Function</b>



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAN-  
DARDS**



Mr Bernd Richter	Resident Twinning Adviser (RTA) bernd.richter@stat.gov.mk Tel: + 389 2 3295 668	Ms Verka Grozdanoska Panova	BC Component 1 Leader verka.panova@stat.gov.mk tel: + 389 2 3295 681
Ms. Rajna Badeva	RTA Office rajna.badeva@stat.gov.mk Tel: + 389 2 3295 768	Ms Mirjana Bosnjak	BC Component 2 Leader, (Sub-components 2.1-2.4) mirjana.bosnjak@stat.gov.mk tel: + 389 2 3295 655
		Ms Violeta Krsteva	BC Component 2 Leader, (Sub-component 2.5) violeta.krsteva@stat.gov.mk tel: + 389 2 3295 617
		Ms Helena Papazoska	BC Component 3 Leader (Sub-component 3.1) BC Component 4 Leader helena.papazoska@stat.gov.mk tel: + 389 2 3295 630
		Mr Goran Kirandziski	BC Component 3 Leader, (Sub-component 3.2) goran.kirandziski@stat.gov.mk tel: + 389 2 3295 684
		Ms Tatjana Mitevaska	RTA Counterpart (Deputy), Department for International Co-operation and European Integration at SSO tatjana.mitevaska@stat.gov.mk tel: + 389 2 3295 670



**EU Twinning Project MK/09/IB/ST/01  
SUPPORT TO THE STATE STATISTICAL OFFICE FOR CAPACITY BUILD-  
ING AND IMPROVING COMPLIANCE OF STATISTICS WITH EU STAN-  
DARDS**



		Ms Makedonka Trajkova-Cingarovska	Monitoring Function makedonka.trajkova@stat.gov.mk tel: + 389 2 3295 674
		Ms Biljana Karajovanovikj	Monitoring Function (Deputy) biljana.ristevska@stat.gov.mk tel: + 389 2 3295 703