

ANNUAL REPORT

2018

Skopje, May 2019

CONTENTS

INTRODUCTION.....	3
1. STATISTICAL INFRASTRUCTURE.....	4
1.1. Administrative capacities.....	4
1.3. DISSEMINATION	11
2. STATISTICS BY SECTOR.....	15
2.1. Social statistics.....	15
Активности во другите области од социјалните статистики:	16
2.2. National accounts.....	18
2.3. Business statistics, agricultural statistics and environmental statistics	19
2.4. Sector for Regional Departments.....	23
3. CLASSIFICATIONS AND REGISTERS.....	23
3.1. CLASSIFICATIONS.....	23
3.2. Statistical registers.....	24
4. EUROPEAN INTEGRATION AND INTERNATIONAL ACTIVITY.....	25
4.1. EUROPEAN INTEGRATION.....	25
4.2. International projects where the SSO was included.....	26
4.3. Communication and cooperation with other institution.....	28
5. CHALLENGES THAT THE SSO WAS FACING.....	28
6. COORDINATION OF THE STATISTICAL SYSTEM AND AUTHORISED BODIES	29
6.1. National Bank of the Republic of Macedonia	30
6.2. Ministry of Finance.....	32
6.3. Pension and Disability Insurance Fund.....	32
6.4. Ministry of Interior.....	33
6.5. Hydrometeorological Service.....	33
6.6. Institute of Public Health	33
6.7. Employment Agency of the Republic of Macedonia.....	34
6.8. Observations of the State Statistical Office.....	35
Abbreviations:.....	36

INTRODUCTION

Pursuant to Article 21, paragraph 1 of the Law on State Statistics (Official Gazette of the Republic of Macedonia No. 54/97, 21/07, 51/11, 104/13, 42/14, 192/15, 27/16 and 83/18), the State Statistical Office (hereinafter: SSO) prepared an Annual Report on the work done and the implementation of the Programme of Statistical Surveys 2018-2022, in terms of the statistical surveys carried out by the Office in 2018, as well as by other institutions that are authorised to conduct statistical surveys under the Programme. The Annual Report is for the most part dedicated to the activities carried out by the SSO in 2018 as the SSO, according to the Law on State Statistics, is coordinator of the statistical system of the Republic of North Macedonia, with the highest authority, and in accordance with this role has the greatest responsibility for the effective functioning and quality of the statistical system of the Republic of North Macedonia.

The report consists of six sections, five of which are related to the activities of the SSO, and one section covering the activities of the authorised bodies (total 6) in terms of the implementation of the statistical surveys in the Programme for which they are responsible.

The first section of the report covers the statistical infrastructure of the SSO, and it contains information about the human and financial resources, professional development of staff, the institutional environment of the SSO, the support of statistical outputs and information technology. The statistical infrastructure covers the comprehensive and complex activity of data dissemination of the SSO in 2018.

The second section of the report contains information about the activities carried out by the SSO with regard to sector statistics, in the Sector of Business Statistics, Agricultural and Environmental Statistics, the Sector of Social Statistics and the Sector of National Accounts.

The third section provides information about the activities of the SSO with respect to the statistical registers under its jurisdiction and the statistical standards, nomenclatures and classifications adopted by the Government of the Republic of North Macedonia in 2018.

The fourth section of the report describes the activities that were carried out in 2018 for observing European standards and international activity. The international activity of the SSO was implemented through direct involvement in the process of European integration of the country, as well as by participation in several international projects as part of the foreign aid that was provided to the SSO.

The fifth section contains information about the challenges the SSO was faced with in 2018.

The sixth section of the report contains a brief overview of the coordination of the statistical system of the country and the implementation of the Programme of Statistical Surveys by the authorised bodies in the statistical system: National Bank of the Republic of North Macedonia, Ministry of Finance, Ministry of Justice, Ministry of Interior, Pension and Disability Insurance Fund, Employment Agency, Hydrometeorological Service and Institute of Public Health.

1. STATISTICAL INFRASTRUCTURE

The statistical infrastructure is an essential precondition for achieving the objectives of official statistics as defined in the Law on State Statistics and other laws, and further operationalised in the Strategic Plan of the SSO and other documents adopted by the SSO.

1.1. Administrative capacities

The Law on State Statistics is a comprehensive law governing the role, position and authority of the State Statistical Office. This Law also regulates the position and powers of the authorised bodies with regard to their statistical activity. The Law was adopted in 1997 (Official Gazette of the Republic of Macedonia No. 54/97). Over the years, the Law was amended eight times.

In addition to the Law on State Statistics, the second most important bylaw adopted by the Government of the Republic of North Macedonia on proposal of the SSO is the Programme of Statistical Surveys. The Programme specifies the statistical surveys conducted by the SSO and the authorised bodies during a five-year period. The current Programme of Statistical Surveys covers the period 2018-2022 (Official Gazette of the Republic of Macedonia No. 22/18).

The first amendment to the Programme of Statistical Surveys for the period 2018 - 2022 was published in the "Official Gazette of the Republic of Macedonia" no. 224/18. The first amendment to the Programme of Statistical Surveys in 2018 by the State Statistical Office is a result of the need to change the deadlines for revision of the statistical survey - Structural Business Statistics - Business Services. Also, in the research in the field of Agricultural statistics - Annual Report on raw milk and obtained dairy products, a new level of data disclosure is determined (NTES 1 and 2, Republic of Macedonia) and the deadline for data disclosure. In the part of the National Accounts, the deadlines for publishing the data in three statistical surveys are changed, ie the deadlines for publishing the data are deleted because those deadlines are incorporated in other related surveys.

Regarding the amendments of the Programme in the part of the National Bank of the Republic of North Macedonia, amendment is made in nine statistical surveys. In some of them, the deadline for publishing the survey data is shortened, and in one survey the publication deadline is increased. In some of the surveys (six), according to international standards, new statistical manuals and guidelines are added which are applied in the conduct of surveys. In two statistical surveys, the periodicity for conducting the survey changes from semi-annual to quarterly, ie from monthly to quarterly.

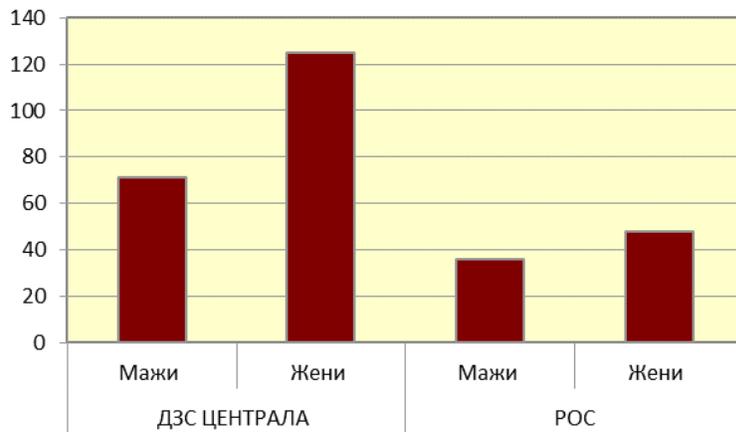
In 2018, the SSO adopted the Strategic Plan 2019-2020, which defines the values, priorities and the strategic goals of the Office. This is a basic document containing the main activities to be performed in the upcoming period in order to achieve harmonisation of national statistics with EU legislation.

1.1.1. Human resources

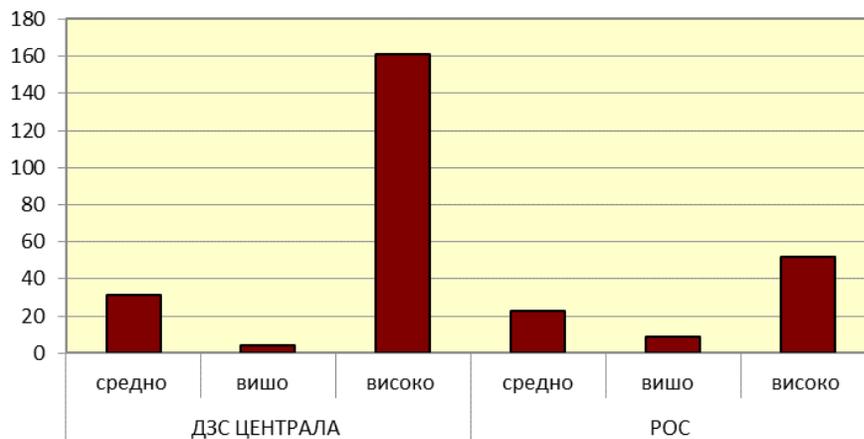
The organisational structure and powers of the SSO are laid down in the Rulebook on Internal Organisation of the SSO. According to the Rulebook, adopted by the Director of the State Statistical Office in December 2015, the SSO is organised in seven sectors and 36 departments. Of these departments, three are independent and not part of any sector, while eight are regional statistical departments throughout the Republic of Macedonia (Stip, Veles, Strumica, Kumanovo, Tetovo, Ohrid, Bitola and Skopje).

The number of employees at the State Statistical Office, as at 31 December 2018, was 280 persons. The central Office employed 196 people, while the regional departments (8) had 84 employees.

Graph 1. Number of employees at the SSO, by location and gender



Graph 2. SSO employees, by location and education

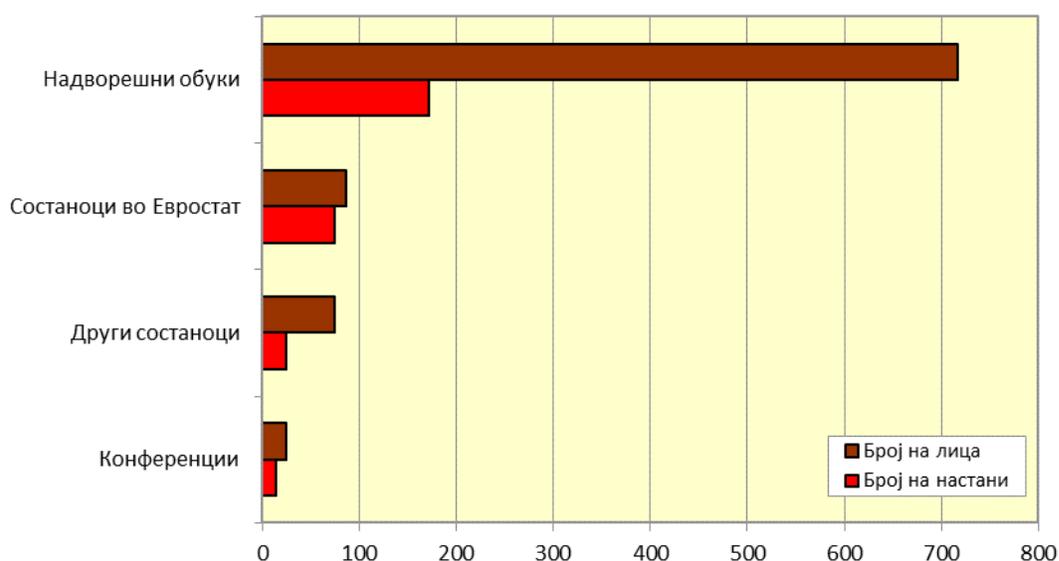


1.1.2. Professional training of employees

The professional development of SSO employees is a precondition for creating professional, competent and highly motivated employees who are ready to meet the needs not only of the SSO in terms of producing high-quality and reliable statistical data, comparable statistics with the developed EU countries, but also the needs of a wider range of users in the country. Professional development and training of SSO staff is a continuous activity to which the senior management of the SSO pays great attention.

In 2018, 24 persons from the SSO participated in 14 international conferences, while 87 SSO representatives and three National Bank employees took part in 77 Eurostat meetings. In addition to the Eurostat meetings, 74 people took part in 25 other meetings. Also, a total of 717 persons from the SSO attended 172 external training events (expert missions, study visits, workshops, seminars, courses, summer schools, etc.) organised by external experts. Besides the SSO representatives, the training events were attended by employees from several other institutions: the National Bank of the Republic of North Macedonia, Ministry of Finance and Public Revenue Office. Furthermore, 152 SSO representatives participated in 13 webinars, and 4 people took part in 1 e-meeting. One person from the National Bank was on an internship in Eurostat, in the period from January - April 2018.

Graph 3. SSO staff participation in events, by type of event



In 2018, the SSO had 13 presentations and 7 papers at international events, on invitation from the organisers, where it presented the achievements of the Office in various areas.

1.1.3. Budget of the State Statistical Office

The total budget of the SSO in 2018 was 180.613.000 denars. The budget of the SSO for performing regular activities in 2018, in comparison with the previous year, was higher by 11.043.000 (6.51%).

In the total budget of the SSO, the share of funds for the Programme 10 - Administration was 0.56%, the highest share had the Programme 20 - Statistical Surveys with 98.13% and the Program MA - EU Integration participated with 1.31%.

In the funds approved for Programme 20 – Statistical Surveys, salaries and contributions for SSO employees had the highest share with 66.50%, utility services 5.81%, funds for conducting statistical surveys accounted for 6.70%, while capital expenditures participated with 10.47%. The part for subsidies and transfers accounts for 7.98%. In the remaining part of the funds - 2.54%, participated: travel and daily expenses by 0.45%, materials and small inventory by 0.45%, repairs and current maintenance by 1.26%, other current expenses by 0.38%. It must be noted that 1.38% of the budget of Programme 20 were allocated for payments based on enforceable titles. The above budget parameters show its unfavorable structure, primarily in terms of the predominance of employee salaries in relation to the funds for implementation of statistical surveys of the Five-Year Programme of Statistical Surveys.

1.1.4. Internal audit

In the SSO, internal audit is conducted as an independent activity of objective assurance and consulting in order to determine whether adequate policies and procedures are applied, whether the regulations and the established standards are implemented, whether the resources are used in an efficient and economic manner, and whether the planned objectives are achieved effectively.

The internal audit provides the Director with additional assurance that the implementation of the management and control instruments is adequate, economical and consistent with the generally accepted standards and the national legislation. It also provides the Director with analyses, recommendations, advice and information concerning the reviewed activities, in order to contribute to the improvement of SSO's work.

Internal audit at the State Statistical Office is carried out in accordance with the principles of legality, independence, objectivity, competency, professionalism, integrity and confidentiality.

During 2018, the SSO continued the process of establishment of the Financial Management and Control (FMC) system. The task of internal audit is to give recommendations to strengthen the FMC for transparent, regular, economical, efficient and effective use of available funds.

In the course of 2018, internal auditors performed 6 audits, for which they prepared auditor's reports, based on the strategic plan, the internal audit annual plan and the plans for individual audits, in accordance with the International Standards for the Professional Practice of Internal Auditing. A total of 28 recommendations were given in the specified period.

In 2018, an Annual Report was prepared about the performed audits and activities of the internal audit for 2017.

1.1.5. Statistical Council of the Republic of Macedonia

The Statistical Council of the Republic of Macedonia is an expert advisory body for state statistics, whose position and responsibilities are defined in Articles 10, 11 and 11 of the Law on State Statistics.

The current Statistical Council was established by Decision No. 07-2155/1 of the Assembly of the Republic of Macedonia of 30 April 2012 (fourth Council), with mandate of 4 years. Due to the expired mandate, during 2018 the Statistical Council did not hold sessions. The State Statistical Office expects the Assembly of the Republic of North Macedonia to appoint new members of the Council. With the last amendment to the Law on State Statistics ("Official Gazette of the Republic of Macedonia" no. 220), the Council is composed of a president and 13 members representing:

- The Assembly of the Republic of Macedonia from among the employees, with the title of at least one state counsellor - one member, the Ministry of Finance - one member, the National Bank of the Republic of North Macedonia - one member, The Association of Local Self-Government Units - two members, the Economic and Social Council - one member, NGOs - one member, Chambers of Commerce - three members and scientific institutions - three members. The Director of the Office is an ex-officio member of the Council.

The purpose of changing the current structure of the Council, in the opinion of the Office, as well as of the foreign experts, was to be dominated by representatives of the users, ie representatives of the scientific, business community and other entities.

1.2. Support of statistical outputs, technical infrastructure

1.2.1. Quality management

The quality management framework in the SSO is based on the quality standards established in the European Statistical System (ESS) and expressed in the Quality Declaration of the ESS and the European Statistics Code of Practice (hereinafter: the Code). The Office continuously works on implementation of the principles of the Code, while periodically checking the level of compliance via a self-assessment process.

The last Peer Review on the implementation of the European Statistics Code of Practice was conducted in February 2017. The findings were presented in a comprehensive report which resulted in an action plan for improvement.

1.2.2. Use of administrative data sources and reducing respondent burden

Reducing respondent burden is a very important activity of the SSO, and as such it has been identified as a major objective in the priority "Strengthening the cooperation with providers of data and holders of data sets" in the Strategic Plan of the SSO. Respondent burden is most effectively reduced by using administrative data sources and through the electronic data collection system (eStat) of the SSO.

Regarding the use of administrative data sources, the SSO in 2018 continued the activities started in 2016, but also undertook several preparatory activities for conducting the Census of Population, Households and Dwellings in the Republic of North Macedonia, which should be carried out in 2020 or 2021. In doing so, the SSO started the procedure for assessing the compatibility and suitability of the administrative data sets of nine state institutions in the Republic of North Macedonia.

In 2018, the SSO continued with the use of the electronic data collection system - eStat, through which the reporting units - business entities, can simply and easily submit data through web questionnaires.

1.2.3. New methods and tools for data processing:

For the first time, new methods were applied for:

- Processing data for the Labor Cost Survey using administrative data from the Public Revenue Office and the final accounts for 2018
- Evaluation of data sources for calculation of GPG between two years of the survey Structure of the Earnings of the employees;
- Using the data from the PRO and the final accounts for the selection of the sample and redesign of the survey Structure of the earnings of the employees;
- Using the hours from the PRO and the final accounts for the calculations in the Structural Business Statistics (SBS) 2018;
- Generalisation of the procedures for calculation of errors and inclusion in the quality report for the main indicators in the LSMS;
- A generalised procedure of the revenue variable in the production process has been implemented, control steps and corrections in the LSMS;
- In the calculation of the factor for adjusting the non-response in the LSMS, which results in less variability;
- Automation of processing and dissemination procedures according to the phases and sub-processes of the statistical business model (GSBPM), as well as automation of validation processes using SAS in the Labor Force Survey;
- The procedure for calculating annual errors has been improved, taking into account the rotation method and the dependence of the observations;
- Seasonal adjustment of monthly trade survey data

1.2.4. Metainformation system and electronic data collection

In accordance with its obligations, the SSO applies the recommendations of Eurostat for the production and publication of reference metadata on its website, applying the established ESMS structure (Euro SDMX Metadata Structure), oriented to external users.

The implementation of the new versions of reference metadata structures ESMS and ESQRS in the SSO was made with the development of the new SIMS (Single Integrated Metadata Structure) v2.0 information system for documenting and publishing reference metadata in a standardised manner in the three structures (ESMS, ESQRS and SIMS), prescribed by Eurostat

The information system SIMS v 2.0 in 2018 was put into operation and started updating the reference metadata in accordance with the new metadata structure.

Standardisation and harmonisation of statistical variables and code lists are carried out continuously in order to increase the quality of statistical data and the efficiency of the production process.

Due to the smooth functioning of the electronic data collection system and its increased workload, in 2018 the database in which the data is collected was redesigned and an archive was created for the data

from previous survey cycles, thus the system performance (speed at which activities are performed available through the worksheet) are significantly improved. Increasing the number of surveys covered in the future will not affect system performance.

The system is actively functioning and, as at the end of 2018, it included 33 statistical surveys from different areas and with different frequency. Its application abides by the criteria and principles of the Quality Policy:

- Improving timeliness
- Improving data accuracy
- Rational use of available resources

1.2.5. Data security and statistical confidentiality

The implementation of statistical disclosure protection methods continued in 2018. There has also been an increase in the range of users from the scientific research community interested in using individual data available at the SSO for scientific research purposes, and hence the need for data protection from statistical disclosure. Custom software applications were developed by applying the most suitable methods for statistical disclosure control in order the researchers obtain a file in which there is minimal loss of information.

Regarding aggregated data, external trade and structural business statistics data are regularly protected. It was successfully combined the knowledge of the foreign trade methodologist and the knowledge of the methodologist for controlling statistical disclosure in the implementation of a new method for protection of linked tables, which resulted in much better protection.

1.2.6. Using the collaborative infrastructure of Eurostat – data transmission through the “Single Entry Point”

Data transmission to Eurostat by using eDamis tools through the Single Entry Point was carried out regularly as part of the established practice and within deadlines set by Eurostat.

In 2018, there were a total of 1128 data transmissions with 558 data sets transmitted.

Data sets are delivered along with reference metadata using the National Reference Metadata Editor, as a tool for their transmission.

During 2018, an analysis of a possible solution to support data transmission in Eurostat in accordance with the SDMX standard was made. SDMX Reference Infrastructure (SDMX-RI) was implemented using tools developed by Eurostat and ISTAT. Data sets in the field of macroeconomic statistics were successfully prepared and sent in this format. In addition, in the future the same infrastructure and SDMX-oriented storage database for sending to Eurostat will be used for other statistical areas.

1.2.7 Technical infrastructure

The process of replacing old workstations with Microsoft Windows XP, which began in 2017, ended in 2018. All PCs have been replaced with new ones running Microsoft Windows 10, which ensures greater system security as well as compatibility with other institutions.

MS Office 2016 is also installed on a quarter of the newly purchased personal computers, and on the all others Office 365 is installed, which completely replaces the outdated MS Office 2000.

1.3. DISSEMINATION

1.3.1. Data dissemination

The main goal of dissemination is to provide SSO products and services that meet the modern needs of users of official statistics.

The website is the main channel for dissemination of statistical data and information. During 2018, great efforts were made by SSO employees for preparing new data tables and for updating the existing data tables with longer time series in the MakStat database.

1.3.2. Statistical data available online – more data and more users

The website of the State Statistical Office is the primary source of official statistics. Through the website, users have access to the publications issued by database, which contains data from several thematic areas and data by regions and municipalities. In 2018, the website of the SSO was visited 1 074 000 times.

The website of the State Statistical Office has been designed according to user needs and in line with European standards. The MakStat database is becoming the main channel for data dissemination and provides access, possibility for selection and outputs in different formats (xlsx, csv, json, etc.), as well as automated access to data in the MakStat database. The number of visits to the MakStat database in 2018 was 67 843, an increase of 13% on the previous year. Visit statistics show that industrial producer prices, tourists and nights spent and net-wages were the most visited data tables in 2018.

Graph 4. Visits to the MakStat database on the website of the SSO, 2018

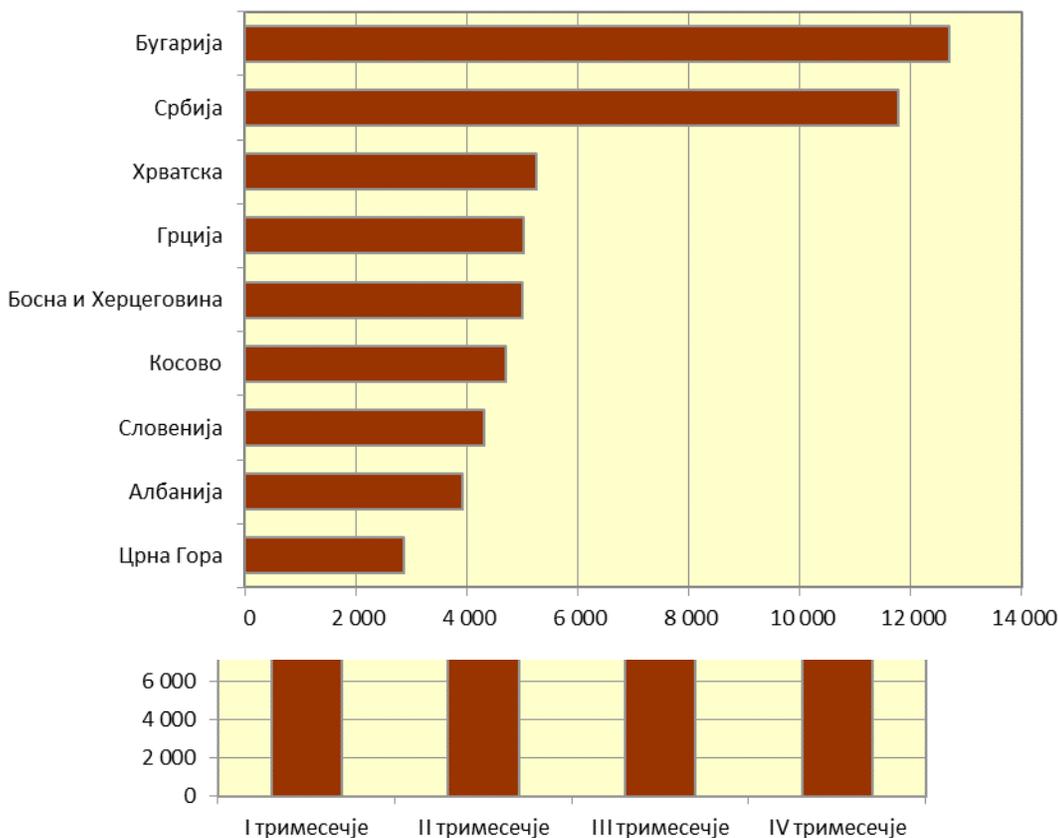
New data tables and time series are constantly added to the MakStat database. The amount of data organised in Excel spreadsheets is steadily growing, and data users can access tables of the statistical

reviews and the Statistical Yearbook in Excel format. Information about the statistical products and activities of the SSO is regularly published on Twitter.

The practice of phasing out publications from the Statistical Reviews edition continued and 15 publications were discontinued by the end of 2018, and the data from the statistical surveys are available in the MakStat database.

Graph 5. Visits and sessions by countries of the region

Statistics on visits by countries of the region show that the website is visited the most by data users from Serbia and Bulgaria, and the least by users from Albania and Montenegro.



1.3.3. Publication activity of the institution

The results from the statistical surveys are available to both domestic and international users in the form of statistical publications.

Dissemination statistics show that the following results were achieved in 2018:

- 323 issues were published in the “News Releases” edition
- 17 issues were published in the “Statistical Reviews” edition
- 5 multi-domain publications were issued

- 12 issues of the Monthly Statistical Bulletin were published, separately in Macedonian and English language
- the MakStat database was improved with new data

The following were published by the SSO in 2018: "Statistical Yearbook of the Republic of Macedonia" – a publication containing statistical data on the demographic, social and economic situation in the Republic of Macedonia, as well as data for a longer period of time. A separate chapter contains data comparable with other countries in Europe and the world.

"Macedonia in Figures" – a small statistical yearbook, containing tables and charts with data about the Republic of Macedonia from all the areas covered by the surveys conducted by the State Statistical Office. The concept of presenting comparative data about the Republic of Macedonia and the EU member states and candidate countries has been retained in this edition as well.

"Sustainable Development" – publication by which the SSO succeeded in the efforts to calculate and unite in one place the available indicators of sustainable development in the Republic of Macedonia. The indicators have a multi-domain character and reflect the economic, social, environmental and the institutional dimension of sustainable development.

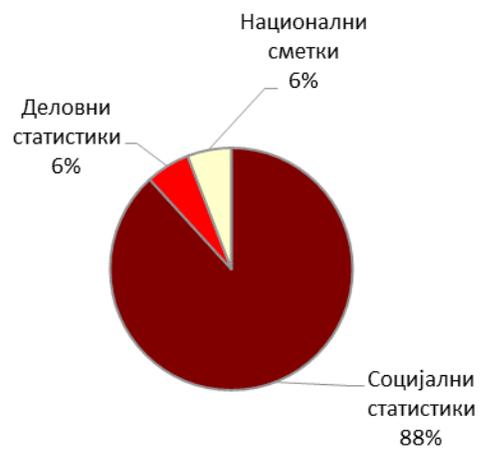
"Regions of the Republic of Macedonia" – ninth edition (2018) of the State Statistical Office, which contains the latest economic and socio-demographic data about the regions in the country. Statistical data about the regions contribute to the fulfilment of the obligations of the Republic of Macedonia in the context of the regional policy of the European Union. Through clear and simple tables, maps and charts, this publication presents the statistical regions in several statistical areas, while the short comments allow for easy identification of the characteristics, differences and similarities between the regions.

"MakStat Selection" – issued for the first time in 2016. It presents in a different way some of the data available at the Office that should be interesting for data users. The publication is divided into 20 areas with tables, graphs, infographics and short comments that show the trends in some of the phenomena observed by statistics. The pages of this publication are filled with visual data describing the socio-economic developments in the Republic of Macedonia and presenting a snapshot of what the country is today.

The State Statistical Office is constantly making efforts to develop and improve its dissemination products in order to reach a larger number of users and raise awareness of the significance of statistical data and their use.

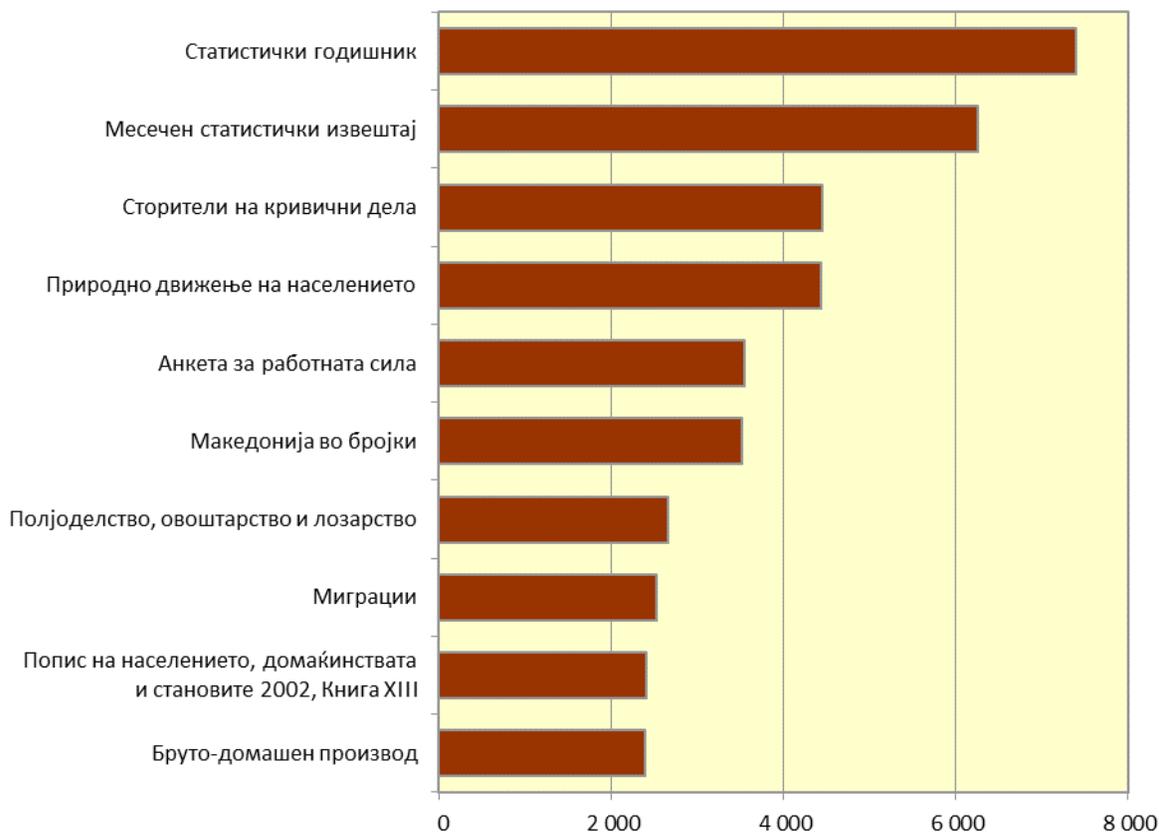
Graph 6. Issued publications in 2018, by theme

All publications are available on the website of the State Statistical Office: www.stat.gov.mk



Graph 7. Number of visits to the Publications edition

Of the issued publications, according to website visitor statistics, the Statistical Yearbook was the most visited publication in 2018.



Graph 8. Number of visits to the News Releases edition



In 2018, the most visited news release was "Average monthly net wage paid per employee", followed by "Gross domestic product", "Natality in the Republic of Macedonia", "Primary, lower secondary and

upper secondary schools at the beginning of the school year " and "Active population in the Republic of Macedonia".

1.3.4. Simple delivery of data to users

In addition to the data and information available on the website, users may also submit requests for data and information or visit the library of the Office. In 2018, the SSO responded to 910 requests for statistical data, most of which via e-mail, and to around 600 data queries via telephone.

1.3.5. Greater representation of statistical data in the media

Media constitute a very important segment of users of official statistics, because through the media statistical data are available to the general public. The "News Releases" edition is the most often used medium by the journalists. The State Statistical Office keeps track of its coverage in print media and web portals, and according to the available data, 872 articles were published in electronic media in 2018, most of which referring to the interpretation of statistical data on incomes, expenditures and prices, population, tourism and economic indicators.

Cooperation with the media - one of the main channels for dissemination of statistical data - was carried out through communication of the responsible persons with all the media, which significantly increased the interest in the statistical products.

2. STATISTICS BY SECTOR

2.1. Social statistics

In the field of social statistics, the harmonization of statistics with EU regulations continued.

In the framework of the preparations for the upcoming Census of Population, Households and Dwellings, 2020, the following activities have been realized:

- The Draft-Law on Census of Population, Households and Dwellings, 2020 was prepared and submitted for further procedure;
- The possibility of applying the new combined methodological approach for conducting the Census of Population, Households and Dwellings in the Republic of Macedonia, 2020 was examined;
- The quality and the possibility of using six available administrative data sets were examined in order to create a Pre-Census Database as a prerequisite for applying the new combined methodological approach for conducting the Census.
- The first draft version of the census forms has been prepared;
- The operational plan for realisation of the Pilot Census has been prepared, which should be carried out in April 2019 under IPA 2015.

Activities in other areas of social statistics:

- The Multicenter Survey for 2018 in Macedonia was prepared and conducted (MIX 6). This survey was organized by the SSO in cooperation with the UNICEF Office in Skopje;
- The data from the Continuing Vocational Training Survey was prepared and published in the MakStat database. Data transmission and Quality Report on the Continuing Vocational Training Survey was submitted to Eurostat timely;
- The Government Budget for Research and Development (GBARD) survey was first conducted in 2018;
- The data on gross and net wages were calculated and published based on the data from the Public Revenue Office as the only administrative source;
- The foundations of the Statistical Register of Employees based on the use of administrative sources were established;
- Regarding the Gender Equality Index, taking into account the updated methodology, a review was made that was submitted to the European Institute for Gender Equality and which contains the indicators available at the SSO and the indicators available from other sources.
- The data from the Labor Price Survey for 2016 were published. For the first time in the research, administrative sources were used for some of the variables. The transmission of data to Eurostat was carried out within the stipulated deadline;
- Preliminary calculations were made for the labor price index and the wage gap between men and women;
- In 2018, activities for implementation of the CAPI method for data collection in the Labor Force Survey started;
- Following a positive Eurostat evaluation of the experimental calculations of the Harmonised Cost of Living Index (HICP) and HICP-CT, they are published on the Eurostat website;
- For the first time, qualitative and quantitative data on ESSPROS statistics for 2015 and 2016 were submitted to Eurostat;
- A publication was prepared with the results of the Census of the space of higher education institutions, which was conducted through the electronic data collection system e-Stat;
- Two statistical surveys in the field of higher education (VOI.21 and VOI.60) are conducted through the electronic data collection system, eStat.
- The publication on graduated students (first, second and third cycle of studies) was issued for the first time in the MakStat database.

Planned and conducted statistical surveys:

1. Sector of Social Statistics

Periodicity – area	Number of surveys in 2018	Number of surveys in 2017
Department of Living Standard		
monthly	1	1
annual	2	2
analytical	1	1
five-yearly	-	-
total	4	4
Department of Social Protection, Judicial and Public Statistics		
annual	27	27
biennial	1	1
three-yearly		1
five-yearly	-	-
total	28	29
Department of Education and Science		
annual	20	20
biennial	-	-
three-yearly	-	-
five-yearly	-	-
ten-yearly	-	1
total	20	21
Department of Population Statistics		
annual	7	7
total	7	7
Department of Labour Market		
monthly	1	1
annual	1	1
quarterly	2	2
four-yearly	1	1
five-yearly	-	-
total	5	5
Total Sector of Social Statistics	64	66

2.2. National accounts

In 2018, the State Statistical Office dedicated itself to activities in the field of macroeconomic statistics, with special emphasis on Government Finance Statistics (GFS) and Excessive Deficit Procedure (EDP notification table).

In order to improve the quality of sector accounts, and especially the account for the State sector, the SSO, on the proposal of the Commission for Sectorisation of Business Entities by Institutional Sectors, adopted a Decision to publish the List of Classified Business Entities according to the Classification of Institutional Sectors in accordance with the methodology of ESC2010 (European system of national and regional accounts, ESA2010). The list is published on the SSO website.

Within the pilot project for GFS NDP (IPA 2015), a methodological document on the sources and methods for compiling the annual national accounts for the State sector by sub-sectors and NDP statistics in accordance with ESS2010 was prepared and sent to Eurostat.

In the past period, the activities for upgrading the Data Warehouse for the national accounts and the supply and use tables have been intensified and they take place in accordance with the planned activities.

For the purposes of establishing a Data Warehouse for the preparation of national accounts and supply and use tables, active work was done on the description of data sets, classifications and links, as well as on the formulation of the processes for calculation and preparation of the required data.

Data on key tables are continuously sent according to the Eurostat ESS 2010 Programme for sending annual data (tables with main aggregates and branch tables, aggregated at the sector level, are prepared and submitted to Eurostat in accordance with Regulation No. 549/2013). These data, in addition to providing international comparability, at the same time create a more adequate basis for analysis by the holders of macroeconomic measures and policies.

An analysis of the data sources and the obtained results for the land as a special tool was made.

Analysis and preparation of data on fixed assets are currently being done, calculations have been started in accordance with the available data and sources.

An experimental calculation of the value of the software for own use of the data series 2000 – 2017 was made, which is treated as a fixed asset, ie it is capitalised in accordance with ESS 2010.

Analyses are performed on the quality of data from existing inventory surveys as a relevant basis for further calculations.

The supply and use tables for 2015, in accordance with ESS 2010 - definitive data, are prepared, published and sent to Eurostat.

The input-output tables for 2015 were sent to Eurostat in December 2018.

Experimental tables of supply and use at constant prices for 2012-2016 have been prepared and are currently analysed in terms of the possibility of their integration into national accounts.

Preparations have begun for the revision of the indicators at the regional level.

2. Sector of National Accounts

Periodicity – area	Number of surveys in 2018	Number of surveys in 2017
Sector of National Accounts		
annual	2	2
quarterly	1	1
monthly	1	1
according to Eurostat's survey programme	7 ¹⁾	7 ¹⁾
analytical	39	29
Total Sector of National Accounts	50	40

1) Purchasing Power Parity survey under the European Comparison Programme

2.3. Business statistics, agricultural statistics and environmental statistics

In 2018, the SSO resumed the activities for improving business statistics, agricultural and environmental statistics and for harmonisation with European regulations.

- In 2018, the data from the survey "Usage of information and communication technologies in enterprises and households" were published. The data were submitted to Eurostat timely. The questionnaires in the field of information and communication technologies in households and business entities were harmonized in accordance with the Regulation 2015/2003.

- In the field of structural business statistics, the final data on the structural business characteristics of the business entities from the non-financial sector for 2016 were prepared and published. In order to increase the degree of compliance with the regulation on structural business statistics (Annex 8), in 2018 a regular survey on the turnover in business services (Structural Business Statistics) was conducted.

- Regarding the demographics of the enterprises, the data for 2017 were prepared, during which the harmonization of the reference period for the number of newly borned, dead and active enterprises was achieved.

- The statistics in the field of tourism in relation to the traveling of the domestic population were harmonised. A pilot survey was conducted, the data were entered into the database and the analysis process began.

- The preparations and calculations for the change of the base year in the short-term statistics (2015 = 100) have been completed and the data were published in a timely manner at the beginning of 2018.

- The statistical survey on turnover in industry was improved, as part of short-term surveys. The calculation of the turnover index was changed by introducing weighting coefficients.
- In order to increase the use of administrative data sources and reduce the workload of reporting units, the SSO used the data from the Public Revenue Office to produce short-term statistics on turnover of services. The SSO has prepared a series of data on the turnover of services (Annex D of Regulation 1165/98) for the period 2014-2017 and plans to publish them in 2019 and submit them to Eurostat.

2.3.2. Agricultural statistics

The statistics in the area of crop and livestock production, fisheries, prices and economic accounts in agriculture and forestry were continuously harmonised with the EU regulations.

- The pilot survey for crop production was realised on the basis of a sample in two cycles, at the farm level. This achieved harmonisation with Regulation 543/2009 and in 2019 will begin to be conducted as a regular survey. The data will be published at the level of regions and at the level of the whole country.
- Data on fruit growing and viticulture were provided from administrative sources in combination with the data from the pilot survey and their analysis was made.
- Data on milk and dairy products were provided on a monthly basis.

2.3.3. Statistics on environment, energy and transport

During 2018, the module - Environmental Accounts in the Goods and Services sector was developed in accordance with the Regulation 691/2011 and the data were published.

Methodological improvements in statistical surveys

New questionnaires were designed and prepared for all surveys relating to information and communication technology, in accordance with the methodology and recommendations of Eurostat for 2018.

Novelties

For the first time, the State Statistical Office used data from the Public Revenue Office to produce short-term statistics on the turnover of services. A series of data on the turnover of services was prepared (Annex D of Regulation 1165/98) for the period 2014-2017.

Planned and conducted statistical surveys:

3. Sector of Business Statistics, Agricultural Statistics and Environmental Statistics

Periodicity - area	Number of surveys in 2018	Number of surveys in 2017
Department of Construction Statistics, Energy and Transport		
Energy		
annual	12	12
monthly	11	12

semi-annual	2	2
Transport	-	-
annual	11	11
five-yearly	-	
monthly	1	2
quarterly	3	2
Construction		
annual	5	5
semi-annual	1	1
quarterly	1	1
monthly	2	3
Total	49	51
Department of Agricultural Statistics and Environmental Statistics		
Agriculture – general		
three-yearly		-
annual	2	2
monthly	2	2
Crop production		
annual	7	7
Livestock production		
annual	3	3
monthly	2	2
Forestry		
annual	7	7
quarterly	1	1
Hunting and fishing		
annual	2	2
Agricultural prices		
monthly	2	2
quarterly	1	1
Economic accounts for agriculture		
annual	3	3

Water Economy		
three-yearly		
annual	3	6
Environment		
biennial	1	1
annual	4	2
Total	39	41

Department of Industry and Business Tendencies		
Industry		
monthly	2	2
annual	1	1
Business tendencies and prices		
monthly	1	1
quarterly	3	3
semi-annual	1	1
annual	1	1
monthly	4	4
quarterly	1	1
Total	14	14
Department of Internal Trade, ICT, Tourism and Hospitality		
ICT		
annual	5	5
quarterly	2	2
monthly	1	1
Internal trade		
annual		
quarterly	-	-
monthly	1	1
five-yearly		
biennial		
Hospitality and tourism		
annual	2	2
quarterly	1	1

monthly	2	2
three-yearly		1
five-yearly		4
Total	14	19
Department of Statistical Business Register and Structural Business Statistics		
annual	4	2
Total Sector of Business Statistics, Agricultural Statistics and Environmental Statistics	120	129

2.4. Sector for Regional Departments

In accordance with the Rulebook on Internal Organisation from 2015, the State Statistical Office comprises the Central Office in Skopje and eight regional departments throughout the country (Skopje, Tetovo, Kumanovo, Veles, Stip, Bitola, Ohrid and Strumica).

The main role of the regional departments is collecting data, coding and preliminary control of the statistical forms collected from reporting units. For some statistical surveys (in the field of demography), data entry and processing are also performed in the regional departments. In addition to these responsibilities, the regional departments also have an important role in developing and updating the network of interviewers. The regional departments are instrumental in the process of registration and selection of candidates for interviewers that make up the SSO network of interviewers, as well as in maintaining daily contact with them in carrying out the surveys.

Given that the reporting units are still the primary sources of data collected in the field via statistical forms, despite the growing importance of administrative data sources (for 35 surveys), the SSO regional departments will still have a major role in collecting statistical data from the field.

3. CLASSIFICATIONS AND REGISTERS

3.1. Classifications

Several national classifications and nomenclatures were adopted as SSO standards in 2018:

- National nomenclature of industrial products 2017-2018, NNIP ("Official Gazette of the Republic of Macedonia" No. 105/17);
- Nomenclature of agricultural products, products in forestry, hunting and fishing and related services (2018), NSSHRU;

The following correspondent tables were prepared:

- Correspondence table between the National Nomenclature of Industrial Products, 2017 and the National Nomenclature of Industrial Products, 2016;
- Correspondence table between the National Nomenclature of Industrial Products, 2017 - 2018 and the Combined Nomenclature (CN), 2018;

- Correspondence table, Nomenclature of agricultural products, forestry products, hunting and fishing and related services (2018) and Nomenclature of agricultural products, forestry products, hunting and fishing and related services (2011)

3.2. Statistical registers

3.2.1. Statistical Register of Territorial Units

In 2018, the activities with the Agency for Real Estate Cadastre related to the preparation of the census cartography started.

During 2018, the updating of the data in the web cartography application continued. During 2018, metadata for two datasets were published on the NSDI geoportal, and WMS services were prepared for the population by main age groups by years and Population by five-year age groups, by gender. SSO persons participated in several workshops within the National Spatial Data Infrastructure (NSDI) organised by the Agency for Real Estate Cadastre.

3.2.2. Statistical Business Register

The Statistical Business Register is updated on a regular basis and the accuracy and quality of the data are checked regularly, in particular the data on activity, size, address data, etc.

We have been continuously working on developing the methodological bases and functionality of SDR, harmonised with European standards and recommendations, especially on improving the quality and coverage of groups of enterprises.

The enterprise groups database was updated with 2016 and 2017 data.

3.2.3. Statistical Farm Register

The Register is updated continuously with data from administrative sources and statistical surveys. The Statistical Farm Register is used as a sampling frame for statistical surveys in the field of agriculture.

3.2.4. Data warehouse for national accounts

One of the main activities in the upcoming period is upgrading the data warehouse for national accounts and the creation of inputs and outputs for the warehouse.

For this purpose, the "Ad hoc project on DWH for National Accounts - methodological aspects" was launched as part of IPA 2015 MBP.

During 2018, intensive work was done on the methodological aspects related to the calculations in the national accounts, both on the input data and on the output data and on balancing the output data with the help of the supply and use tables. In that direction, work was done on creating several types of data files, classification links with data and job descriptions for achieving the final calculations of the main

categories of GDP, sector accounts and supply and use tables. Also it was worked on migration files to save data sets with results in long series.

4. EUROPEAN INTEGRATION AND INTERNATIONAL ACTIVITY

4.1. European integration

The process of European integration of the Republic of Macedonia in the field of statistics is carried out in close cooperation with Eurostat, which provides aid and support to the SSO, as the national coordinator of the statistical system of the country, in the process of harmonisation of national statistical standards and data with international statistical standards and data, especially from EU Member States.

The SSO, as coordinator of the Working Group 18 – Statistics, continuously organises and coordinates the activities of the Working Group for the purpose of regular, quality and timely monitoring and reporting about the progress in adopting the Acquis.

On April 27, 2018, a meeting of the management of the State Statistical Office was held with the representatives of Eurostat - Mr. Peter Everaers, Director of the Directorate for Cooperation in the European Statistical System, International Cooperation and Resources and Mr. Thorbjorn Karlqvist, in charge of Macedonia. In the meeting it was discussed about the progress of the Macedonian official statistics in harmonising with the statistics of the European Union, noted in the last report of the European Commission, as well as the main recommendations received from the report, which the Office should especially focus on during the next year:

- to prepare for the new Census of Population and Households, partly based on administrative data;
- to further strengthen human and financial resources;
- Further harmonisation of the statistical data with the European System of Accounts, 2010, taking care to delineate the general government sector, as well as submitting a complete set of tables for the Excessive Deficit Procedure to Eurostat.

At the two meetings of the Subcommittee on Economic and Financial Affairs and Statistics held in 2018, the European Commission, as in the previous year, highlighted the progress made by the SSO in the period between meetings. In the SSO, in October 2018, the annual mission of Eurostat was held, which presented the future plans and needs for support of the SSO.

On the occasion of the European Statistics Day, on October 17, 2018, the State Statistical Office organised an official event at the Faculty of Economics at the University "St. Cyril and Methodius" in Skopje. The event was attended by Prime Minister Zoran Zaev, Eurostat General Director Mariana Koceva and a number of guests, including university professors, academics, students and statisticians.

During the event, the Prime Minister signed the "Declaration of Commitment on Confidence in Statistics". With this signature, the Government recognises that "reliable statistics are a necessary condition for the creation of evidence-based policies and good functioning democracy" and commits, inter alia, to "full compliance with international and European standards for the quality of statistics, especially the Labor Code of "European Statistics", "guaranteeing and defending the professional independence of the State Statistical Office and its head (director)" and "providing conditions for sustainable functioning of national statistics".

In October 2018, a meeting of the Statistical Cooperation Policy Group was held in Krushevo with the participation of statistical institutions from the countries in the region (Macedonia, Albania, Montenegro, Serbia, Bosnia and Herzegovina, Kosovo and Turkey), as well as a delegation of Eurostat, the statistical office of the European Union, led by the Director General of Eurostat, Mariana Koceva. The meeting discussed the changes taking place in the European Statistical System and Eurostat and how they will be reflected on the candidate countries for membership in the European Union.

The cooperation between Eurostat and the SSO in the application of EU legislation is carried out through continuous consultations, assessments and recommendations by Eurostat.

4.2. International projects where the SSO was included

4.2.1. Ongoing projects of the European Commission

- National projects

IPA 2012/2013 National Programme

Државниот завод за статистика е корисник на Националната програма ИПА 2012/2013, како дел од секторското фише за развивање на приватниот сектор.

Во рамките на програмата ИПА 2012, во 2018 година заврши имплементацијата на твининг-проектот „Поддршка на Државниот завод за статистика во градењето на капацитетите и подобрување на усогласеноста со стандардите на Европската Унија“.

Како резултат на склучениот договор за услуги „Tailor-made software development for data warehouse for economic statistics“, во јануари 2018 година започна со имплементација проект од ИПА 2013 за редизајн на Складиштето за економски податоци.

The State Statistical Office is beneficiary of the IPA 2012/2013 National Programme as part of the sector fiche for private sector development.

Within the IPA 2012 program, in 2018, the implementation of the twinning project "Support to the State Statistical Office for capacity building and improving compliance of statistics with EU standards" was completed.

As a result of the signed service contract for "Tailor-made software development for data warehouse for economic statistics", a tender procedure was carried out for the IPA 2013 funded project for redesign of the data warehouse for economic statistics, whose implementation started in January 2018.

- Multi-beneficiary projects
- IPA 2014 Multi-Beneficiary Statistical Cooperation Programme

IPA 2014 Multi-Beneficiary Statistical Cooperation Program

The grant contract covers the following 14 pilot projects:

1. Government Finance and Excessive Deficit Procedure Statistics;
2. Harmonised Index of Consumer Prices;
3. Price Statistics – Purchasing Power Parity;

4. Business Registers;
5. Short-term business statistics (STS): implementation of ESS guidelines and standards;
6. Transport statistics - Passenger and freight statistics;
7. Tourism statistics;
8. Labour Force Survey;
9. Social Protection Statistics (ESSPROS);
10. Crop statistics: Annual crop statistics (ACS) and Permanent crop statistics;
11. Animal production statistics;
12. Ad hoc project on the use of auxiliary information in the sample design and estimation phase of the statistical production process;
13. Ad hoc project on DWH for National Accounts - methodological aspects;
14. Ad-hoc project on the preparation of the Census of Population, Housing and Dwellings.

In addition to the grant contract with Eurostat, 11 pilot projects are to be implemented through service contracts with the consulting company - GOPA, as follows:

1. National accounts methodology;
2. Transmission programme, annual national accounts (ANA), quarterly national accounts (QNA) and quality reporting;
3. Regional accounts;
4. Sector accounts;
5. Supply, use and input-output tables (SUT/IOT);
6. Preparation of the Census of Population, Housing and Dwellings 2021;
7. Quality management;
8. Implementing standards for metadata and data exchange;
9. Source (basic) data required for the calculation of Macroeconomic Imbalance Procedure (MIP) indicators;
10. Sustainable Development Goal (SDGs) indicators;
11. South East Europe 2020 (SEE2020) indicators.

The project started on 01.08.2017 and was initially planned to last 24 months, ie until 31.07.2019, but the project leaders, National Association for Small and Medium Enterprises from Bulgaria, requested extension of the project until the end of 2019 year. Awaiting official approval of the extension. Within this project, the State Statistical Office, in October 2018, conducted a Pilot survey on innovation and worked on the preparation of the main research. The objective of this Project is to boost the transnational innovation capacity of small and medium-sized enterprises, and to support them to form sustainable networks and innovative clusters with other small and medium-sized enterprises from the Balkan-Mediterranean region in order to exchange knowledge and develop innovation through finding partners and providing small and medium enterprises with relevant data, tools and systems.

Planned projects of the European Commission

IPA 2017 National Programme

In 2018, the State Statistical Office worked on programming the IPA 2017 National Programme. The SSO is part of the sector fiche for Public Administration Reform, where the planned activities are aimed at improving statistics to strengthen the decision-making process.

4.3. Communication and cooperation with other institutions

In order to strengthen the cooperation with the Republic Statistical Office of the Republic of Serbia, the directors of the Macedonian and Serbian Statistical Offices signed a Memorandum of Cooperation which sets out the foundations on which further cooperation between the two institutions will take place.

The United Nations Population Fund (UNFPA) and the State Statistical Office signed a Memorandum of Understanding that envisions strengthening of the national capacities for data collection of population, analysis, dissemination and use in development policies. The overall objective of the Memorandum of Understanding is to monitor the progress in the implementation of national policies and strategies related to the social inclusion and reproductive health of adolescents, women and men in the country, as well as other national and international obligations in accordance with the Partnership for sustainable development of the UN for the period 2016-2020 signed by the Government and the UN team in the country.

In order to determine the framework in which the cooperation is realised based on the use of internal potentials for achieving common interests, a Memorandum of Cooperation was signed between the State Statistical Office and the Energy Regulatory Commission of the Republic of Macedonia. The mutual cooperation will be carried out in different domains from the scope of the two institutions, ie in the fields of energy statistics and environmental statistics, respecting the principles of professional independence, neutrality, objectivity, reliability, statistical confidentiality and rationality.

5. CHALLENGES THAT THE SSO WAS FACING

The challenges faced by the SSO in 2018 can be located in four specific areas:

- Preparation of the Programme of Statistical Surveys for the period 2018-2022;
- Financial consolidation of the SSO;
- Human resources management;
- The condition of the SSO premises.

At the beginning of 2018, the SSO started the implementation of the new Programme for statistical surveys for the period 2018-2022. The program is based on a new concept of programming of statistical survey activities, ie the program is fully harmonized with the Eurostat Compendium and at the same time includes all statistical surveys that are under the jurisdiction of the authorised holders.

In 2017, the State Statistical Office continued with paying off financial liabilities, resulting from the lawsuits of the employees. However, with direct support of the Ministry of Finance, the necessary funds have been provided for the compensation of unpaid and unclaimed differences of the supplements for employees after February 2015, as well as the supplements that will be paid in the next period (as of February 2018).

The situation with human resources in 2018 the situation has improved in accordance with the Amendments to the Annual Employment Plan for 2018. In accordance with these changes, 53 employees in the State Statistical Office were promoted and 22 people were employed. The number of employees in the SSO at the end of 2017 was 277 employees, while at the end of 2018 the number was 280 employees. The minimal increase is due to the fact that during 2018 there were a large number of regular retirements of employees.

The condition of the building and the overall installations (heating system, electrical wiring, etc.) of the premises of the SSO and the regional departments in Skopje and Tetovo is a constant problem that has lasted for several years, for which the Government is continuously informed. The problem with workspace would be completely resolved by taking over the office premises of the Ministry of Transport and Communications and relocation of employees and equipment from the Regional Department in Skopje to the Central Office, and activities are undertaken that should also solve the problem of the Regional Department in Tetovo. Also, a complete renovation of the building will be necessary in the coming period.

6. COORDINATION OF THE STATISTICAL SYSTEM AND AUTHORISED BODIES

In accordance with Article 21 of the Law on State Statistics, the SSO, as coordinator of the statistical system, in cooperation with the authorised bodies, prepares a report on their activities in relation to the implementation of the Programme of Statistical Surveys 2018-2022. The entities that have the status of authorised bodies are determined in the Law on State Statistics and the Five-Year Programme of Statistical Surveys. In addition to the National Bank of the Republic of Macedonia, other authorised bodies are: Ministry of Finance, Employment Agency, Pension and Disability Insurance Fund, Ministry of Justice, Ministry of Interior, Hydrometeorological Service and Institute of Public Health. The current Programme of Statistical Surveys covers the period 2018-2022.

In order to strengthen the coordination role of the SSO in the National Statistical System, in accordance with the recommendations of the conducted Peer Review from 2017, the Law on State Statistics was amended, and a Coordination Committee was established with members of all authorised bodies. The Chairman of the Committee is the Director of the SSO. The Committee is expected to start working in 2019, when it is expected to be formed by the Government by its own decision.

Upon the request submitted to the authorised bodies to prepare reports on their activity related to the Statistical Survey Programme, reports were received from all authorised bodies, except from the Ministry of Justice – the Department for Execution of Sanctions.

6.1. National Bank of the Republic of Macedonia

In 2018, the National Bank of the Republic of Macedonia conducted a total of 27 statistical surveys, of which 10 monthly, 14 quarterly and 3 semi-annual.

Methodological improvements in statistical surveys

Regarding the statistical surveys in the Programme of Statistical Surveys 2018-2022 pertaining to monetary statistics, OFI statistics and interest rate statistics" (item 2.04.6.5.00 / 01, 2.04.6.5.00 / 02, 2.04.6.5.00 / 03, 2.04.6.5.00 / 04, 2.04.6.5.00 / 05, 2.04.6.5.00 / 06, 2.04.6.5.00 / 07 and 2.04.6.5.00 / 08), continued with the harmonisation with the international and European standards, especially in relation to the latest IMF Manual of Monetary Statistics from 2016. The data based on the new methodology were published in the period July - August 2018, with improved sectoral and currency division of financial instruments. At the same time, a new definition of the money supply was prepared, with the same scope as in the EU countries.

At the same time, within the long-term project for introducing integrated data reporting system for the needs of statistics and supervision (ISIDORA), which would significantly reduce the reporting burden and provide a richer database for existing statistical purposes, several key activities were undertaken to design the data structure required for reporting in the new system.

Regarding the item 2.04.6.9.00 / 01 - Financial accounts from the Programme in 2018, detailed data were prepared on the flows of financial assets and liabilities for the State sector by sub-sectors, for the period 2014-2017. The preparation of these data is a key input element in the preparation of some of the tables on excessive debt and deficit (EDP), which the State Statistical Office has prepared for the first time and submitted to Eurostat. At the same time, the second annual transmission of detailed data on financial accounts (balances) to Eurostat for the period 2013-2017 was performed. Within the securities statistics, during 2018, the started activities for software connection of all available databases for securities trading in the country and abroad, which is in an advanced stage, continued.

Novelties in statistical surveys

What marked 2018 in the field of statistics are the activities related to the accession to the latest IMF Data Dissemination Standard (SDDS plus). During 2018, the final phase for accession to SDDS plus the IMF was achieved through several activities for technical and qualitative adjustment of the statistical system to the requirements of the standard. The successful completion of these activities enabled the official accession of the Republic of Macedonia to SDDS plus on January 28, 2019.

In 2018, as novelties in the communication of the National Bank with the rapporteurs in terms of reducing the reporting burden and simplifying the reporting procedure are listed:

- in the statistical survey on direct investments (item 2.06.0.3.00 / 01), in 2018 the sample method was applied for the first time instead of the previously used method of census when reporting on capital investments in the country, which significantly reduced the reporting burden. In the next period, the gradual introduction of electronic reporting will further contribute to improving the efficiency of the reporting system, without reducing the quality of statistical data;
- In the framework of the statistical surveys on the gross external debt and the gross external receivables (items 2.06.0.9.00 / 02 and 2.06.0.9.00 / 03), in June 2018, the procedure for recording the

credit affairs with non-residents was simplified, more precisely, it was reduced the volume of required documentation required for records.

Number of National Bank employees working on statistical surveys

A total of 51 National Bank employees work on statistical surveys, as follows:

- 6 employees work on the inflation expectations survey, bank lending survey and real estate prices;
- 3 employees work on calculation of financial soundness indicators;
- 39 employees work on statistical surveys in the field of monetary and financial statistics, as well as external statistics;
- 3 employees work on statistical surveys in the field of payment statistics.

Dissemination of statistics

Data from the statistical surveys of the National Bank are published on the website of the National Bank in accordance with the periodicity and publication deadlines set out in the Programme.

Regarding the communication with users, news releases for the basic statistical data sets of the NBRM are issued regularly, simultaneously with the publication of the data. In 2018, in order to provide timely, appropriate and quality information to the users about the novelties, a previous announcement and release to the public about the planned methodological changes were published and a new structure of the monetary statistics section was created on the NBRM website.

In order to increase the availability and the improvement of the access of external users to the statistical data, in September 2018 the project „Buildings Tools for Internal Data Analysis and a Statistical Internet Web Portal for External Users”, was successfully realised, intended for easier search through the data by users. The portal provided greater flexibility to users in preparing the form and content of statistical data, tailored to individual needs. It is expected that this will increase the use of published data and at the same time it will reduce the time required to search through the data.

International activities and foreign assistance

In 2018, the National Bank continued to improve its capacity in the field of statistics through projects and technical missions organised in cooperation with international and European institutions, as well as through bilateral cooperation with central banks of EU Member States. More specifically, the following activities were carried out:

- Technical mission by the IMF's Statistics Department in the field of financial statistics, with special focus on the annual and quarterly data on the financial accounts, balances;
- The IPA 2012 project, Buildings Tools for Internal Data Analysis and a Statistical Internet Web Portal for External Users was successfully completed in October 2018;
- Workshop on "Data Management for Statistical Needs of Central Banks and Reliability of Statistical Data", in cooperation with experts from the ECB and ESCB;
- Working meeting in the field of external statistics in the area of data collection on financial derivatives, in cooperation with the Central Bank of the Netherlands;

- Working meeting on the practical application of the European principles of statistical quality, above all, statistical confidentiality and data exchange, as well as the policy of audits and public communication, in cooperation with the Belgian Central Bank.

6.2. Ministry of Finance

In 2018, the Ministry of Finance conducted a total of 20 statistical surveys, of which 12 monthly and 8 quarterly, which is 1 annual survey less than in 2017.

Number of Ministry of Finance employees working on statistical surveys

The Ministry of Finance has five employees engaged in conducting statistical surveys.

Novelties

In 2018, for the first time, data on revenues, expenditures and deficit were sent to the General Government for the period 2013-2017 on a cash basis, in accordance with the latest methodology of the IMF GFSM2014.

Dissemination of statistics

Data from the surveys are published according to the Release Calendar.

International activity and foreign assistance

International activities and foreign assistance are implemented within the Regional Project of the IMF and the GFS/ESA methodology.

Information about the methodological improvements, the publishing activity and the problems the Ministry faced in 2018 was not delivered to the SSO as requested in Form 1 concerning the surveys and activities carried out in 2018 in accordance with the Programme of Statistical Surveys 2018-2022.

6.3. Pension and Disability Insurance Fund

In 2018, the Pension and Disability Insurance Fund implemented 9 statistical surveys, of which 4 monthly and 5 annual, which is 4 monthly surveys more than in 2017.

Number of Fund employees working on statistical surveys

Two employees of the Fund work on statistical surveys.

Dissemination of statistics

Data from the statistical surveys are regularly published on the website of the Pension and Disability Insurance Fund.

Information about methodological improvements, novelties in statistical surveys and about the problems the Fund faced in 2018 was not delivered to the SSO as requested in Form 1 concerning the surveys and activities carried out in 2018 in accordance with the Programme of Statistical Surveys 2018-2022.

6.4. Ministry of Interior

In 2018, in accordance with the Programme of Statistical Surveys 2018-2022, the Ministry of Interior carried out a total of 6 statistical surveys, of which 1 monthly and 5 annual surveys, which is 1 survey more than in 2017.

Number of Ministry of Interior employees working on statistical surveys

The Ministry has 103 employees engaged in conducting statistical surveys. This number includes all employees who fill in the statistical forms, process the data and prepare the questionnaires and requests for the statistical surveys of the State Statistical Office.

Dissemination of statistics

Data from the statistical surveys are regularly published on the website of the Ministry of Interior, and submitted to the State Statistical Office on monthly and annual basis.

Information about methodological improvements, novelties in statistical surveys, international activities and foreign assistance was not delivered to the SSO. Regarding the problems faced in 2018, the Ministry noted the problem of providing statistical data through a semi-automated process with underdeveloped methodologies and insufficiently specified data-indicators.

6.5. Hydrometeorological Service

In 2018, the Hydrometeorological Service conducted 1 statistical survey, which is 5 surveys less than in 2017.

Number of Hydrometeorological Service employees working on statistical surveys

A total of 15 employees of the Hydrometeorological Service are engaged in conducting statistical surveys

Dissemination of statistics

Dissemination is carried out via internal publication of data, preparation of information to the media and various data users.

Methodological improvements and innovations in statistical surveys have not been noted by the Office.

Information about publishing activity, International activity and foreign assistance and about the problems the Hydrometeorological Service faced in 2018 was not delivered to the SSO as requested in Form 1 concerning the surveys and activities carried out in 2018 in accordance with the Programme of Statistical Surveys 2018-2022.

6.6. Institute of Public Health

In 2018, the Institute of Public Health of the Republic of Macedonia conducted a total of 16 annual statistical surveys, which is 5 surveys more than in 2017.

Number of Institute employees working on statistical surveys

The Institute has 22 employees working on statistical surveys. In the Institute, of which 10 are employed in the Sector for Control and Prevention of Infectious Diseases and 12 are in the Center for Statistical Processing of Health Data.

Dissemination of statistics

Data from the statistical surveys are regularly published on the website of the Institute, and submitted to the State Statistical Office on annual basis.

The Institute has an extensive publishing activity, and in 2018 issued a total of 26 publications and 5 more publications - reports on conducted studies on HIV – prevalence.

International activity and foreign assistance

International activity and foreign assistance are implemented through the Global Fund – maintaining a low HIV-AIDS prevalence in RM - sustainable development and the SECID (South East European Centre of Infectious Diseases Surveillance and Control) project funded by SDS - Surveillance and Response to Avian and Pandemic Influenza, EMSDDA project for use of psychoactive substances in adults and ESPAD project 2018/2019 for use of psychoactive substances in children.

The methodological improvements in the statistical surveys in the field of epidemiology refer to the studies done according to different methodology, which in 2018 are published as reports.

The problems the Institute faced are reduced financial resources, the lack of staff and the insufficient cooperation between the institutions in the area of health data exchange, necessary to create appropriate policies.

Information about novelties in statistical surveys in the Institute in 2018 was not delivered to the SSO as requested in Form 1 concerning the surveys and activities carried out in 2018 in accordance with the Programme of Statistical Surveys 2018-2022.

6.7. Employment Agency of the Republic of Macedonia

In 2018, the Employment Agency of the Republic of Macedonia carried out a total of 4 statistical surveys, 3 with monthly periodicity and 1 annual survey, which is 1 annual survey more than in 2017.

Regarding the methodological improvements in the statistical surveys, we received information from the Agency that the surveys are conducted in accordance with the legal amendments and the Operational Plan for active employment measures and services for 2018.

Information about the number of employees working on statistical surveys, novelties in statistical surveys, publishing activity, international activities and foreign assistance and about the problems the Agency faced in 2018 was not delivered to the SSO as requested in Form 1 concerning the surveys and activities carried out in 2017 in accordance with the Programme of Statistical Surveys 2018-2022.

6.8. Observations of the State Statistical Office

During 2018, several activities related to the relationship of the SSO with the authorised bodies were carried out, of which the following were the most important: the Law on Amending the Law on State Statistics was adopted. The main novelties of the Law are the establishment of the Coordination Committee and the amendment of the structure of the Statistical Council of the Republic of North Macedonia. The first amendment to the Law aims to strengthen the role of the SSO as a coordinator of the statistical system of the country, and the second amendment emphasizes the role of the Statistical Council as a body that will primarily present the interests of a wide range of users of statistical information in the country. The Coordination Committee is expected to be formed by the Government of the Republic of North Macedonia in 2019. Also, during 2019, the Assembly of the Republic of North Macedonia should appoint new members of the Statistical Council.

The second significant activity with the most direct coordination role of the SSO was the adaptation of the basic bylaw and the authorised bodies by the Government of the Republic of North Macedonia, which is the Programme of Statistical Surveys for the period 2018-2022. The programme was the result of direct work of the SSO and the authorised bodies, whereby the coordination role of the SSO in the process of coordination of the statistical system of the country was fully realised. In 2018, the Government adopted the first amendment to the Programme.

With the undertaken activities in 2018, and above all with the establishment of the Coordination Committee, the coordination role of the SSO in the National Statistical System it is expected to be strengthened, as well as the capacity of other authorised bodies that compile the National Statistical System.

Abbreviations:

SSO – State Statistical Office

COICOP – Classification of Individual Consumption According to Purpose

EU - European Union

IPA – Instrument for Pre-Accession Assistance

Eurostat – Statistical Office of the European Union

eStat – IT system for automatic metadata-based generation of web forms for data collection over the Internet.

IMF – International Monetary Fund

ESS – European Statistical System

ISCED – International Standard Classification of Education

IT – Information Technology

eDamis – Electronic Data files Administration and Management Information System

ESSPROS – European System of Integrated Social Protection Statistics

NKD – National Classification of Activities Rev. 2 2

GDP – Gross Domestic Product

FISIM – Financial Intermediation Services Indirectly Measured

SILC – Survey on Income and Living Conditions

RD – Regional Departments

NIP – Nomenclature of Industrial Products

NBRM – National Bank of the Republic of Macedonia

NPAA – National Programme for Adoption of the Acquis

NRME – National Reference Metadata Editor

PIM – Perpetual Inventory Method

SMIS+ – Statistical Management Information System

SBPM – Statistical Business Process Model

SDDS – Special Data Dissemination Standard

SDMX – Statistical Data and Metadata Exchange

CATI – Computer-Assisted Telephone Interviewing

HICP – Harmonised Index of Consumer Prices

PR – Peer Review