

Srpski walked out of the association Journalists of Bosnia and Herzegovina, announcing the establishment of a separate, Republika Srpska only, association of journalists.

The reform of Bosnia and Herzegovina's public broadcasting sector progresses slowly. The Federation of Bosnia and Herzegovina only appointed the Federation's TV management board in June 2009. Due to these delays, the Bosnia and Herzegovina Public Broadcasting Corporation, responsible for streamlining and modernising the activities of all three public broadcasters in the system, has not yet been registered. Moreover, the Federation's Law on the Public Broadcasting Service is not yet fully aligned with the Public Broadcasting System Law of Bosnia and Herzegovina. The public broadcasting reform is seriously delayed.

*Overall*, Bosnia and Herzegovina's preparations in the field of the information society and the media are advancing, albeit slowly. Particular efforts are necessary to implement the legal framework in the area of public broadcasting, to carry out the reform of this sector and to ensure the functional independence of the Communications Regulatory Authority.

#### 4.2.7. *Financial control*

Bosnia and Herzegovina has made limited progress in the area of financial control.

Some steps have been taken in the area of **Public Internal Financial Control (PIFC)**. Laws on internal audit are being implemented at State and Entity level, but administrative capacity must be strengthened to ensure the sound management of public funds. A working group comprising representatives from all levels of government has drafted PIFC policy papers for the State-level and the two Entities. After the approval of the three policy papers, the reform will need to concentrate on developing effective managerial arrangements and a financial management and control (FMC) structure. Central Harmonisation Units (CHUs) have been created at the State level and in Republika Srpska, but are insufficiently staffed. The CHU in the Federation remains to be established.

As regards **external audits**, the four supreme audit institutions (SAIs) in the country — State, Entities (2) and Brčko District — continued to implement their common strategic development for 2007-2012 on the basis of the external audit laws. SAIs have diversified their activities to exercise performance audits, in addition to regular financial audits. Their cooperation through the Coordination Board has proved to be efficient. The parliaments have improved their capacity to deal with audit reports, but follow-up to the SAIs' reports and recommendations remains insufficient. The independence of the SAIs remains to be anchored more credibly to comply with international standards.

*Overall*, Bosnia and Herzegovina's preparations in the area of financial control are progressing, but slowly. Stronger efforts are necessary to improve public internal financial control and the follow-up of audit reports.

#### 4.2.8. *Statistics*

Some progress has been made in the area of statistics.

As regards **statistical infrastructure**, a new work plan 2009-2012 has been adopted. It provides for the development and expansion of the State Agency for Statistics (BHAS). Currently, it has 64 employees and aims to have 198 by 2015. However, cooperation between the BHAS and the Institutes for Statistics in the Entities needs further improvement. Different interpretations of the existing legislation persist. Neither the Law on Statistics of Bosnia and

Herzegovina nor the Agreement on cooperation and coordination in the area of statistics have been properly implemented. The issue of provision of VAT and other data by the Indirect Taxation Authority to the BHAS remains open. The Federation's Institute of Statistics (FIS) has not been able to fund important surveys. All these elements are detrimental to the production and development of country-wide and accurate statistics.

Regarding classifications and registers, a business register has been created but it is not yet fully operational. The BHAS has also initiated its work on approximation to NACE rev. 2 (Statistical Classification of Economic Activities in the European Community).

Some progress has been made on **sector statistics**. Preparations for a census in 2011 have started. The dates for the population and housing census (1 April 2011) and for the pilot census (1 April 2010) have been fixed. Various working groups have been set up for the census preparations and Bosnia and Herzegovina has requested international monitoring of the preparation and conduct of the census. A number of methodological documents for the census have been drafted. The preparation of maps for census enumeration areas is ongoing in discussions with the geodetic institutes in the Entities. A Census law has been approved by the Council of Ministers and is now in Parliamentary procedure.

In the field of social statistics, a Labour Force Survey (LFS) was conducted in 2008 and the results of the 2007 LFS were published. The provisional results of the 2009 LFS have also been published. The BHAS has taken initial steps towards the development of education statistics. For other social statistical domains, such as health statistics, progress has been limited.

Limited progress has been made in the area of macroeconomic statistics. An analysis of 2007 data on household consumption in Bosnia and Herzegovina was finalised. This provided useful information on the scope and structure of consumption and relative and absolute poverty in the country. The multi-annual master plan for development of national accounts is ready, but is not applied by the Statistical Office of Republika Srpska. Quarterly national accounts statistics do not yet exist.

Some action has been taken to improve the quality of business statistics, primarily concerning industrial statistics, statistics on the construction industry and structural business statistics. The preparations for a census of agriculture have started. The population census questionnaire will contain additional questions in order to identify agricultural households. In the area of energy statistics, questionnaires have been designed and harmonised for both Entities in order to collect data on the balance of electrical energy and heat. Also, pilot research is under way regarding the production of coal in both Entities as an initial step towards the establishment of an energy balance for coal.

*Overall*, Bosnia and Herzegovina's preparations in the field of statistics are slowly advancing. Some progress has been made, including as regards technical preparations for the census. However, national accounts and business and agricultural statistics need to be improved. The plan for the development of the BHAS needs to be implemented to ensure sufficient capacity. Better cooperation between the Entities and the BHAS remains essential.