

appointed, it is not operating. The statute of the Public Broadcaster BHRT was amended (*See Political criteria 2.2 - Human Rights and the protection of minorities*). The statutes of the public broadcasting corporation (PBS) remain to be adopted. PBS was not registered. The reform of the public broadcasting sector was further delayed.

Overall, preparations in the fields of the information society and media are advancing slowly. Implementation of the legal framework for public broadcasting is necessary for reforms in this sector. Continued challenges to the CRA's functional independence and lack of adequate human resources remain a serious concern.

4.2.7. *Financial control*

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

Further efforts were made to introduce **public internal financial control (PIFC)**. Central Harmonisation Units (CHUs) exist at both State and Entity levels. Staffing levels at the State-level and Republika Srpska CHUs were strengthened. The coordination board of all CHUs provides a single platform for PIFC. However, the drafting of legislation implementing public internal audit and legislation on financial management and control advanced slowly. The Federation's CHU requires additional staff to implement PIFC. The number of skilled internal auditors available throughout the country remains small.

As regards **external audit**, the four Supreme Audit Institutions (SAIs) (State, Entities and Brcko District) continued to improve audit methods and external audit quality. Republika Srpska introduced obligatory consideration of negative audit reports in the Parliamentary Assembly's new rules of procedure. However, there was no progress on ensuring the independence of the State-level SAI from the executive.

Overall, Bosnia and Herzegovina's preparations in the area of financial control are progressing, albeit slowly. The lack of skilled staff is an impediment to further development of PIFC. Financial management and control systems need to be further developed. The issue of independence of the State-level SAI remains to be addressed.

4.2.8. *Statistics*

Limited progress can be reported in the area of statistics.

Little progress was made on **statistical infrastructure**. The constructive cooperation between the State-level Agency for Statistics (BHAS) and the State Electricity Regulatory Commission resulted in an increased data coverage transmitted to Eurostat. However, despite some progress, the cooperation between the BHAS and the Entity institutes for statistics remained unsatisfactory. Neither the State-level Statistics Law nor the agreement on cooperation and coordination in the area of statistics are being implemented correctly. The Indirect Taxation Authority does not provide the BHAS with the data required from administrative sources. This leads to low-quality business, macroeconomic and external trade statistics. The Law on indirect taxation remains to be amended to allow the BHAS to use all available administrative data for statistical purposes.

Some progress was made regarding **classifications and registers**. Approximation to the NACE Rev. 2 statistical classification of economic activities was finalised and the classification is being applied. Application of the classification of products by activity (CPA 2008) and the nomenclature of industrial products (PRODCOM) started. The statistical