

stricter rules on the watershed (restricting programmes unsuitable for minors to the night-time).

The Constitutional Court of the Federation ruled against the claims that the proposed public broadcasting law was contrary to the national interest of one of the country's constituent peoples. As a result, the Federation Parliamentary Assembly adopted the Law on Public Broadcasting Service, which formally completed the legal framework for public broadcasting in Bosnia and Herzegovina. The Federation's Law on Public Broadcasting Service still needs to be fully aligned with the Public Broadcasting System Law of Bosnia and Herzegovina. Proper implementation of the whole legal framework for public broadcasting will be necessary to meet the relevant key priority of the European Partnership.

Bosnia and Herzegovina's preparations in the field of the information society and media are advancing. 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 developments have been reported in the area of **Public Internal Financial Control (PIFC)**. Internal audit laws have been adopted by the State and the Entities. A working group has been established to draft comprehensive PIFC policy papers to guarantee balanced development of control and audit systems. However, no tangible results have been produced so far. No Central Harmonisation Unit for PIFC has been established.

As regards **external audits**, the three supreme audit institutions (SAIs) in the country are continuing to implement their common strategic development plan for 2007-2012 on the basis of the three External Audit Laws. The three SAIs cooperate via a Coordination Board. After a two-year delay, the State level Auditor-General was appointed in June 2008. The State Auditor has 34 staff. The follow-up to the SAIs' reports and recommendations remains insufficient. The existence and independence of the SAIs have not yet been anchored in the constitutions of Bosnia and Herzegovina.

Overall, Bosnia and Herzegovina's preparations in the area of financial control remain at an early stage. The introduction of comprehensive PIFC policies is still awaiting the outcome of the PIFC Policy Working Group. Further work relating to the status of the SAIs and of the quality of external audit is needed.

#### 4.2.8. *Statistics*

Some progress has been made in the area of statistics.

As regards **statistical infrastructure**, cooperation between the State Agency for Statistics (BHAS) and the Institute for Statistics in the Federation has improved considerably. However, further efforts are necessary to improve coordination with the Republika Srpska statistical office. BHAS has developed a new organisation chart which provides for a significant increase in staff and coverage of more sectors. Similar organisation charts are being developed for the Entity statistical institutes. Capacity-building throughout the statistical sector in Bosnia and Herzegovina is paramount and should remain a priority.

The Law on statistics and the 2005 Agreement to strengthen the coordinating role of BHAS in harmonising methodologies and disseminating State level data have not been properly implemented. A protocol between BHAS and the Indirect Taxation Authority (ITA) regarding exchange of external trade data has been signed; however, implementation is still pending.

Some progress has been made on **classifications** and registers. The classification of products by activity (CPA) has been harmonised with the European CPA 2002 classification. The classification of individual consumption by purpose (COICOP) has been finalised and a high degree of harmonisation with international standards has been achieved. The development of a statistical business register is advancing.

Some progress has been made on **sectoral statistics**, including statistical research. In the area of demographic and social statistics, initial steps have been taken to prepare a population and housing census. However, the political decision confirming that the census will be conducted in 2011 is still pending. BHAS produced a countrywide publication on gender issues.

Regarding labour statistics, the 2007 Labour Force Survey (LFS) was the first conducted by BHAS in cooperation with the two Entity statistical institutes. Preparations for the 2008 Labour Force Survey are under way. A Household Budget Survey (HBS) was also conducted in 2007 on a sample of 7 600 households. The publication of quarterly and semi-annual data on salaries, employment and unemployment began in August 2008.

BHAS has initiated regular monthly publication of tourism statistics. The methodology still needs to be brought fully into line with EU recommendations.

Some progress has been made in the area of macro-economic statistics. A draft master plan for development of national accounts has been prepared, although not yet approved by the Statistical Office of Republika Srpska. For the first time, GDP figures from the expenditure side in current and constant prices for 2006 were published. 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. BHAS has started to publish monthly data on external trade, based on data provided by the Indirect Taxation Authority. As regards agricultural statistics, several pilot surveys on agricultural prices have been conducted. However, continued efforts are necessary: structural business statistics are still not based on business registers, and almost no transport and energy statistics are available at State level.

Bosnia and Herzegovina's preparations in the field of statistics are advancing, but remain at an initial stage. Therefore, it is essential to strengthen the administrative capacity of the BHAS and the cooperation with the institutes in the Entities.

### **4.3. Justice, freedom and security**

#### *4.3.1. Visa, border, control, asylum and migration*

Progress in the field of **visa** management has continued. The Visa Facilitation Agreement between the EC and Bosnia and Herzegovina entered into force in January 2008. The first meeting of the Joint Committee on implementation of the agreement took place in June 2008. In July 2008, bilateral agreements on visa facilitation were signed with Denmark and Norway. The visa liberalisation dialogue was launched in May 2008 and a roadmap towards visa