



Twinning Fiche

Project title: EU support to strengthen capacities of the Statistical Office of the Republic of Serbia to implement capital stock survey and land estimation

Beneficiary administration: Statistical Office of the Republic of Serbia;
Republic of Serbia

Twinning Reference: SR 24 IPA ST 02 25; PC-49309

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EU funded project

TWINNING TOOL

1. Basic Information

1.1 Programme: IPA 2024 National Programme, direct management

1.2 Twinning Sector: Statistics

1.3 EU funded budget: 1,999,999.00 EUR

1.4 Sustainable Development Goals (SDGs):

The primary objective of this project, which aims to establish the methodology and surveying tools to conduct a capital stock survey and land estimation, is to fulfil the European System of Accounts (ESA) 2010 requirements on capital stock (fixed assets) of member states, and the compilation of Balance sheet of non-financial assets. The project also proactively considers the upgraded requirements of the upcoming System of National Accounts (SNA) 2025. Moreover, the implementation of a capital stock survey and land estimation will significantly contribute to the informed decision-making and sustainable economic planning and therefore to the advancement of majority of Sustainable Development Goals (SDGs) as a result of the improved knowledge and compilation of the essential data on a country's fixed assets, infrastructure, and productive capacity. The action is particularly relevant for Goal 8 "*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*" and Goal 9 "*Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*" since the survey provides data on the value, age, and productivity of capital assets which is vital for analysing economic growth and productivity trends, as well as to identify sectors with aging infrastructure that may require investment, supporting sustainable industrialization and innovation.

2. Objectives

2.1 Overall Objective:

The overall objective is to assist the Statistical Office of the Republic of Serbia in achieving compliance with all tables included in the Transmission Program of Data set out in Annex B of the European System of National Accounts (ESA 2010), thereby meeting the requirements for the closure of Chapter 18.

2.2 Specific objective:

The specific objective is to develop methods and data sources for compiling the datasets required to achieve compliance with the ESA 2010 Transmission Programme.

This project will contribute to:

- Developing the methodology and data sources necessary for compiling ESA tables T20 – *Cross classification of fixed assets by industry and by asset (stocks)* and T26 – *Balance sheets for non-financial assets*, according with data requirements as laid down in Annex II of Regulation 2023/734, which are required for the closure of Chapter 18.
- Enhancing the skills of SORS personnel, improving knowledge, methods, and data sources for future compilation of the missing datasets, and strengthening the capacity for compiling national accounts in accordance with ESA 2010 and the best practices of EU Member States.
- Prepare the SORS to become capable of compiling capital stocks data according with future requirements following the revised ESA implementing the System of National Accounts 2025 (SNA 2025).

This project aims to contribute to the implementation of the Program of Official Statistics for a Five-Year Period, in particular to the basic strategic goals set up by the Program “*Completion of full harmonisation of statistical standards and practices with the European Statistical System and the European Union*” and “*Improving the quality of official statistical results while ensuring a high degree of international comparability*”.

3. Description

3.1 Background and justification:

Institutional settings

The legal framework of official statistics in the Republic of Serbia consists of the following legal acts: the Law on Ministries, the Law on Official Statistics, the Decision on the Program of Official Statistics for a Five-Year Period, regulations on the adoption of the Official Statistics Plan for each year, the Law on the National Bank of Serbia, the Law on Foreign Exchange Operations, the Law on Classification of Activities, and the Regulation on Classification of Activities. National Bank of Serbia and other Government institutions are not involved in the project planning and the implementation.

The Statistical Office of the Republic of Serbia (SORS) is a specialized organization established in accordance with Article 26 of the Law on Ministries. SORS is responsible for expert tasks related to the adoption of programs, organization and execution of statistical surveys, including the development of methodologies, data collection, processing, statistical analysis and publication of the statistical data. It also oversees the preparation and adoption of unique statistical standards, the development, maintenance and use of administrative and statistical registers of the Republic of Serbia and the establishment and upkeep of the national accounts system.

Additionally, SORS ensures cooperation and expert coordination with institutions responsible for conducting statistical surveys, collaborates with international organizations to standardize and enhance data comparability and manages data processing for elections and referendum results at national level, among other legally mandated tasks. Beyond its headquarter, SORS operates 15 regional offices across Serbia, employing a total of 455 staff members, of whom 422 are highly qualified professionals.

The Law on Official Statistics regulates the production and dissemination of official statistical data and information, as well as the organization of the official statistics system in the Republic of Serbia. In order to harmonize the Serbian legal regulations with those of the European Union, the Statistical Office of the Republic of Serbia (SORS) is in the process of adopting a new Law on Official Statistics, which is aimed to be fully aligned with Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics, as well as with Regulation (EU) 2024/3018 of the European Parliament and of the Council of 27 November 2024 amending Regulation (EC) No 223/2009 on European statistics (Text with EEA relevance). The first draft of the Law was submitted to Eurostat in 2022 and Eurostat had no objections to the draft.

As the organizer and coordinator of official statistics, the Statistical Office of the Republic of Serbia (SORS) prepares the five-year Official Statistics Program (adopted by the National

Assembly) and the Annual Official Statistics Plan (adopted by the Government of the Republic of Serbia through decrees).

The five-year Official Statistics Program includes: the Strategy for the Development of Official Statistics in the Republic of Serbia for the five-year period; an overview of expected results in the development of official statistics; a review of the most significant infrastructural and developmental activities that cannot be classified into specific fields; a list of responsible producers of official statistics; and expected challenges and conditions for program implementation.

The Government adopts annual official statistics plans in the form of decrees. These plans provide a more detailed elaboration of the five-year Official Statistics Program, including a list of responsible producers of official statistics, a list of statistical surveys to be conducted, a list of administrative data sources, and deadlines for data collection, among other details. The decree establishing the official statistics plan for each year is adopted by the Government in the last quarter of the year preceding the plan's implementation. Both the five-year programs and the annual plans are developed following the Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics, as well as with Regulation (EU) 2015/759 of the European Parliament of April 2015, which amends Regulation 223/2009 on European statistics.

Needs/Problems assessment

The European system of national and regional accounts (ESA 2010) is the internationally compatible European Union's accounting framework for a systematic and detailed description of an economy, which stipulates rules on transmission of data to Eurostat that EU countries have to follow since its implementation in September 2014. Subsequently, both benchmarks for provisional closure of Chapter on statistics are related to alignment of Serbian national accounting with ESA 2010, more specifically that Serbia has to present to the Commission a road map for the transmission of the remaining tables from the ESA 2010 Transmission Programme and to submit key national accounts data in accordance with ESA 2010.

In 2017, the SORS intensified efforts to close the gap in ESA 2010 transmission programme by developing input-output statistics as one of the core sub-systems of the national accounts system. With the assistance of the IPA 2012 national project implemented in the period 2016-2017, the compilation of Supply and Use Tables (SUTs) for the years 2014 and 2015 was conducted for the first time, thus establishing the foundations for regular production of tables in the following years. In order to fully complete ESA 2010 transmission programme, the SORS needs in addition to produce a capital stock survey, estimation of land and compilation of balance sheets for non-financial assets across sectors, and tables on pension entitlements in social insurance.

As a result of intensified efforts and continuous support of EU Commission and Eurostat, National Accounts of the Statistical Office of the Republic of Serbia, has reached the level of good compliance in terms of required tables and datasets transmitted to Eurostat and significantly improved methods and data sources for compilation of macroeconomic statistics. Two of the remaining missing tables of the Eurostat Transmission program are data on capital stock of fixed assets and the balance sheet for non-financial assets. A comprehensive, large-scale capital stock survey is needed in order to collect the missing datasets as it is the best tool to provide the required data quality.

Capital stock surveys are among the most complex, challenging and demanding business surveys. Their complexity arises from the nature of the surveyed subject – namely, the

valuation and structure of capital goods across all economic entities, including aspects such as asset age, depreciation and more. Additionally, these surveys pose significant challenges in terms of data processing, evaluation, and access to high-quality data sources. Given these complexities, fieldwork and direct engagement with enterprises or their accounting representatives are often essential.

The successful implementation of a capital stock survey involves several critical activities designed to ensure the accurate assessment of existing statistical data sources, the meticulous design of the survey, and the preparation of comprehensive survey manuals. It also requires systematic data collection and analysis, rigorous multi-layered supervision to minimize errors and misreporting, and, finally, the structured reporting of data on a country's physical capital assets.

Conducting a comprehensive capital stock survey that would cover enterprises from all institutional sectors and households, capturing data on produced fixed assets — such as buildings, machinery, and infrastructure — presents a significant challenge. The complexity stems from the extensive scope of data collection and the methodological intricacies involved in asset valuation. Moreover, the capital stock survey provides essential input data for compiling the balance sheet of non-financial assets, which encompasses both produced assets and non-produced assets such as land and natural resources (the latter being outside the survey's scope). Given the critical role of survey methodology in ensuring accurate implementation, technical support from EU experts is necessary. This support, facilitated through twinning assistance, is vital for developing a robust methodology before the survey's execution.

Since the effectiveness of the capital stock survey hinges on the rigorous development of its methodology, EU peer support through twinning assistance is required not only for methodological development but also for evaluating the collected data and compiling the balance sheet for non-financial assets. More specifically, this project aims to strengthen the institutional capacity of the Statistical Office of the Republic of Serbia to conduct capital stock surveys independently and on a regular basis. The key activities include the initial development and refinement of the survey methodology, questionnaire design, testing and fine-tuning of methodologies, evaluation and analysis of collected data, and the seamless integration of capital stock data into the Eurostat tables – cross-classification of gross and net fixed assets by type and by activity, consumption of fixed capital and the balance sheet for non-financial assets. The implementation of the survey should take into accounts the final report of the DMES Task Force on fixed assets and estimation of consumption of fixed capital under ESA 2010 (TF FIXCAP-May 2023). This document provides practical recommendations for compiling stocks of fixed capital and estimating the consumption of fixed capital (CFC). The survey should take into consideration the need for adaptability to the forthcoming updates in the SNA 2025, particularly those related to assets such as data, crypto-assets, and natural resources. In this regard, it should be guided in particular by:

- The recommendations provided in the handbook “Measuring natural resources in the national accounts: a compilation guide”, which is currently available in draft form. (<https://unstats.un.org/unsd/nationalaccount/RAdocs/DraftNatResGuide15022025.pdf>)
- The Eurostat- OECD report on intellectual property product, that includes also R&D and software (though the title is IPPs) and data base. It is available on the Eurostat Website with manuals and guidelines:

Manuals and guidelines - ESA 2010 - Eurostat

The recruitment and training of interviewers, as well as their fieldwork (implementation of the Capital survey including the pilot survey) i.e. the data collection, will be conducted and co-financed through the IPA 2025–2027 grant and the national budget. The execution

of these activities will be carefully synchronized with the Twinning timeline to ensure the comprehensive and effective implementation of the capital stock survey.

The **post-survey phase**, covered by this project, will include data processing, analysis, cross-checking, and tabulation, as well as the development of a methodology for estimating produced fixed assets based on surveyed data and other relevant sources. These activities will provide the necessary foundation for the **Cross-Classification of Fixed Assets by Type (Stocks)**.

Additionally, the second component of post-survey activities will focus on land estimation, in line with the **Eurostat-OECD Compilation Guide on Land**, facilitating the completion of the **Balance Sheets for Non-Financial Assets**. This will involve assessing data sources, developing a robust estimation methodology, training staff at the Statistical Office of the Republic of Serbia (SORS), and documenting the sources and methods used in the compilation process.

3.2 Ongoing reforms:

The Serbian government is in the process of developing a five-year program for official statistics, which outlines strategic objectives, key development priorities, and anticipated outcomes for the national statistical system. This program is developed following the EU statistical guidelines and aims to enhance Serbia's overall statistical infrastructure.

To harmonize Serbian legal regulations with those of the European Union, the Statistical Office of the Republic of Serbia (SORS) is currently drafting a new **Law on Official Statistics**. This legislation is aimed to be fully aligned with **Regulation (EC) No 223/2009** of the European Parliament and of the Council of 11 March 2009 on European statistics, as well as with **Regulation (EU) 2024/3018 of the European Parliament and of the Council of 27 November 2024 amending Regulation (EC) No 223/2009 on European statistics (Text with EEA relevance)**.

The draft law integrates recommendations from the **Peer Review** mission, which assessed Serbia's official statistical system in November 2017 against the **European Statistics Code of Practice**. Particular emphasis has been placed on reinforcing the independence of official statistics, strengthening the role of the **Statistical Council**, and ensuring the confidentiality of statistical data.

Following a public consultation process, the draft law was revised in 2023 to incorporate feedback from relevant authorities submitted within the designated timeframe. The revised legislation places a stronger focus on ensuring the autonomy of the national statistical body, expanding the responsibilities of statistical councils, and further enhancing data protection measures.

Serbia has been working on harmonizing its statistical practices with EU regulations in the several statistical areas. The Statistical Office of the Republic of Serbia (SORS) has been updating national classifications and legal frameworks to ensure full compliance with EU regulations, such as Regulation (EC) No 223/2009 on European statistics and Regulation (EU) 2015/759 amending it. This includes adopting the new European Statistical Classification of Economic Activities (NACE Rev. 2.1), set to take effect in 2025. This aligns Serbia's national classification system with EU norms and standards.

Taking into account that the new version of the European Statistical Classification of Economic Activities – NACE Rev. 2.1 came into effect on January 1, 2025, as well as the efforts of the Statistical Office of the Republic of Serbia (SORS) to fully align with the European statistical system, the preparation of the national version of the mentioned classification is

underway. In accordance with the revised version of NACE Rev. 2.1 and national needs, SORS is preparing the **Draft Law on the Classification of Activities** and the **Proposal for the Regulation on the Classification of Activities**. The new national classification of activities (KD2025) will be fully aligned with the European Statistical Classification of Economic Activities (NACE Rev. 2.1) and with the Delegated Regulation of the European Commission (EU) 2023/137. The KD2025 Classification will replace the 2010 classification of activities.

The Statistical Office of the Republic of Serbia (SORS) has been actively implementing reforms in national accounting to align with European Union (EU) standards and regulations, including reforms in national accounting to comply with the Eurostat Transmission Programme, which outlines the data delivery requirements under the European System of National and Regional Accounts (ESA 2010). The reform activities incorporate methodological improvements accumulated from various Instrument for Pre-Accession Assistance (IPA) projects supported by the EU and Eurostat, aiming to enhance data sources and to improve quality, exhaustiveness, and accuracy of Serbia's national accounting, thus ensuring greater compliance with EU standards. This twinning project contributes to the further reform in the area of national accounting through enhancing data sources for compilation of national account statistics.

3.3 Linked activities:

The list below describes the main projects relevant to this twinning project, all of which have been funded by the EU under IPA:

IPA 2012 - Strengthening the Serbian statistical system by upgrading methodologies and standards and by appliance of good practice, implementation period 18/03/2016 – 17/12/2017. The overall objective of the project was to harmonize methodologies and standards, applied for the production of a reliable statistical basis necessary for Serbia's social and economic system in view of accession to the EU, and furthermore to harmonize relevant statistics and indicators available for use as basis for public policies in all key areas. The project consists of three components, and it focuses on the further development of SORS's ICT system, improvement of the National Accounts system in regard to the compilation of Supply and Use tables and the improvement of existing and the development of new Sustainable Development Indicators.

IPA 2016 National Programme – Developing efficient and sustainable statistical system in line with European statistical system, the implementation period 03/09/2019 – 30/06/2022. The overall objective of the project was to develop efficient and sustainable statistical systems in line with European Statistical System capable for providing, reliable, objective and accurate data needed to plan and monitor the process of transition and reform in Serbia. Purpose of the one project component was improvement of national accounts and further harmonization of the System of National Accounts (SNA) with international standards, i.e. timely and quality implementation of new SNA standards 2008 and the European System of Accounts 2010 (ESA 2010).

IPA 2018 National Programme – EU for Development of Statistics in Serbia, the implementation period 23/07/2019 – 22/03/2025. The overall objective of the Project was further alignment of the national statistical system with international standards, primarily with the standards of European Statistical System (ESS) and improving evidence-based decision-making, while the specific objective of the Project is to increase the availability, quality, comparability and timeliness of high quality and policy-relevant statistical data. The Project consists in carrying four highly important statistical surveys, among them Population,

households and dwellings Census 2022 and Agricultural Census 2023 being particularly complementary to this project.

Current EU assistance

IPA 2022 National Programme - EU4SORS Development of a modern statistical system; the implementation period 01/01/2025 - 31/12/2027. The overall objective of the project is further alignment of the national statistical system with international standards, primarily with the standards of the European Statistical System (ESS) and increasing the comparability and interconnectivity of statistical data. The specific objective of the project is the development of a decision-making support system with the specific focus on a labour force information analytics, as well as the establishment of a Statistical Population Register. This initiative will not only enhance statistical production capacity and ensure the availability of timely, high-quality statistics but will also support the Statistical Office of the Republic of Serbia (SORS) in strengthening its administrative capacity and developing its coordination function—both of which are crucial for ensuring the long-term sustainability of the project's outcomes. Furthermore, the program is designed to ensure that Serbia's policymaking processes are data-driven and fully aligned with **EU standards and directives**.

IPA 2022 Multi-beneficiary statistical cooperation programme, the implementation period 01/01/2024 – 21/12/2027. The Statistical Office of the Republic of Serbia (SORS) has been awarded a direct grant by the European Commission (managed by Eurostat), within the Multi-Beneficiary Programme IPA 2022 framework. This project represents continuation of the work done so far with purpose to improve the statistical system of the Republic of Serbia in order to achieve harmonization with the European Statistical System (ESS), by strengthening the SORS and its coordination role in the country's statistical system as well as aligning methodologies with European Union legislation.

Planned EU assistance

This project aims to boost the capabilities of the Statistical Office of the Republic of Serbia (SORS) in conducting a capital stock survey and land estimation. It complements the initiative for a statistical system of national accounting that is fully aligned with the ESA 2010 standards, which is **currently being programmed under IPA 2026**. The IPA 2026 project will facilitate SORS in executing two large-scale, comprehensive surveys: a capital stock survey encompassing all economic units (including the government sector) and an input-output survey targeting the government and non-profit sectors. These efforts will enhance the resources for compiling Supply and Use tables as well as Input-Output tables. Conversely, this twinning project will concentrate on developing the methodology for the capital stock survey, including pre-survey and post-survey data preparation, processing, and estimation. This encompasses also land estimation and capacity building for SORS staff, equipping them for the execution of relevant surveys and data processing techniques, as well as estimation methods and the subsequent compilation and updating of datasets.

Given that these processes are regarded as the most complex, challenging, and demanding business surveys, they necessitate fieldwork along with direct engagement and interaction between interviewers and relevant stakeholders to ensure the highest possible data quality. The **IPA 2026 Alignment of Macroeconomic Statistics with ESA 2010** will assist SORS with fieldwork and the collection of pertinent data, while this particular project will support SORS in preparing for data collection, evaluation, processing, and analysis of the

gathered information. These two projects are intricately linked, and this proposal lays the essential groundwork for the efficient implementation and completion of these high-priority processes, which stem from the need to comply with EU requirements in the realm of National Accounts.

3.4 List of applicable *Union acquis*/standards/norms:

Regulation (EC) No. 223/2009 of the European Parliament and of the Council on European Statistics and Regulation (EU) 2023/734 of the European Parliament and of the Council of 15 March 2023 amending Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union. These regulations establish the legal framework for producing and disseminating European statistics. It governs the functioning of national statistical institutes and Eurostat (the statistical office of the European Union) and provides the principles of statistical independence, impartiality, and transparency.

Regulation (EU) No. 2015/759 amending Regulation (EC) No. 223/2009 on European Statistics. This regulation modifies and updates the 2009 regulation, further aligning the European statistical system with modern statistical needs. It provides more specific rules about the functioning of the statistical system, including governance, confidentiality, and user access to data. This regulation also covers the process of reviewing the statistical quality and methodology in the context of the evolving European economic and social conditions.

Regulation (EC) No.184/2005 on Community Statistics Relating to the Balance of Payments, International Trade in Services, and Foreign Direct Investment and Regulation (EU) 2024/3018 of the European Parliament and of the Council of 27 November 2024 amending Regulation (EC) No 223/2009 on European statistics (Text with EEA relevance). This regulation governs the statistics related to the balance of payments, services trade, and foreign direct investments. It outlines the procedures for collecting, compiling, and transmitting balance of payments data, which is a critical part of Serbia's alignment with EU practices regarding international economic statistics.

Regulation (EC) No. 1165/98 on Short-Term Statistics (STS). This regulation is essential for the compilation of short-term economic indicators, such as industrial production, retail trade, and business cycles. These indicators are important for assessing the performance of national economies and providing timely economic data to Eurostat.

Regulation (EC) No. 763/2008 on Business Registers. This regulation ensures the quality and harmonization of business registers used to support the production of business and economic statistics in the EU. It sets standards for the creation and maintenance of business registers, which are crucial for generating official statistical data on enterprises.

Regulation (EU) No. 98/2013 on Structural Business Statistics (SBS). This regulation deals with the collection of structural business statistics, which provide essential information on the organization, performance, and structure of businesses in the EU. Aligning with this regulation allows Serbia to gather data necessary for economic analysis and policymaking.

Regulation (EC) No. 691/2011 on European Environmental Economic Accounts. This regulation deals with the collection of environmental data, such as natural resources and environmental impacts of economic activities. Serbia's compliance with this regulation ensures it can produce accurate and consistent data for environmental economic analysis.

Regulation (EU) No. 2018/1091 on Regional Statistics. This regulation ensures the availability of comparable regional statistics within the EU. Serbia's alignment with this

regulation will help provide detailed data on regional disparities in various sectors, such as economic performance, employment, and social conditions.

Regulation (EU) 2023/734 amending Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union. The ESA 2010 provides for: (a) a methodology (Annex I) on common standards, definitions, classifications and accounting rules that shall be used for compiling accounts and tables on comparable bases for the purposes of the Union, together with results as required under Article 3; (b) a programme (Annex II) setting out the time limits by which Member States shall transmit to the Commission (Eurostat) the accounts and tables to be compiled in accordance with the methodology referred to in point (a).

3.5 Components and results per component

The results of this project should contribute to the achievement of the objectives as described in 2.1 and 2.2.

Component 1: Strengthening SORS Expertise in Implementing the Capital Stock Survey, Land Estimation, and Post-Estimation Data Processing

Expected Results:

- Enhanced capacity of SORS staff through structured knowledge transfer.
- Training sessions, workshops, and study visits organised to facilitate the transfer of expertise from the twinning institution to SORS.

Component 2: Preparation and Design of the Capital Stock Survey

Expected Results:

- Comprehensive survey methodology, including the preparation of a detailed survey manual, questionnaire design, and sample selection criteria developed.
- Development of customised modules (variants) of the questionnaire for different institutional sectors and households.
- Expertise provided in conducting a pilot survey on a limited number of units to test and refine the methodology.

Note: The actual fieldwork (implementation of the Capital survey including the pilot survey) i.e. the data collection and related activities, will be conducted and co-financed through the IPA 2025–2027 grant and the national budget . The execution of these activities will be carefully synchronized with the Twinning timeline to ensure the comprehensive and effective implementation of the capital stock survey.

Component 3: Development of a Methodology for Land Estimation

Expected Results:

- Fact-finding mission carried out to identify and evaluate relevant data sources for land estimation.

- Standardized and robust methodology for land estimation according to the OECD-Eurostat Manual developed.

Component 4: Compilation of Fixed Asset Classification Tables and the Balance Sheet for Non-Financial Assets

Expected Results:

- Support provided for data evaluation, statistical analysis, and capital stock estimation of produced fixed assets using surveyed data.
- Balance sheet for non-financial assets compiled, including fixed asset classifications by industry and asset type, along with land estimates.

3.6 Means/input from the EU Member State Partner Administration(s)*:

The project team will consist of a Project Leader (PL), one Resident Twinning Advisor (RTA) and a pool of experts for ad hoc assignments. The RTA will have a leading role in the implementation of the activities in each component, while the project leader will be in charge of the whole coordination of activities, compliance with the given deadlines, in order to reach the project results in a way to achieve the objective of the project. All experts shall meet the formal conditions as set out in the Twinning Manual.

The RTA, together with the MS Project Leader and with the beneficiary counterparts will ensure that any difficulties that could hamper the implementation of the activities are identified at an early stage, and effectively resolved. Both project representatives should also ensure close cooperation with the European Union Delegation to the Republic of Serbia and coordination with other ongoing and linked projects.

3.6.1 Profile and tasks of the PL:

MS Project Leader:

The Project Leader will manage the project team of selected member state(s) and co-ordinate the implementation of activities. The project leader will establish and maintain links between experts from member state and beneficiary state. He/she will ensure the timely and effective implementation of the project and achievement of results, through proposed activities. PL will also be responsible for modifications of Work plan in accordance with identification of needs in the lifetime of the Project and in this way ensure, that experts input and distribution of their working days will be used in the most efficient and effective way.

The Project Leader tasks:

- Design, supervision and coordination of overall project preparation;
- In collaboration with the PL of the Beneficiary country, ensure the overall management and coordination of the Twinning Project;
- Monitoring the overall implementation of the project;
- Coordinate the work of the RTA;
- Ensure effective use of project resources and inputs to achieve the expected results;

- Liaise with the Project Leader of the Beneficiary institution, particularly in respect of making any changes to the project work plan that are necessary during the life of the project;
- Together with the Beneficiary country's Project Leader (and EU Delegation to the Republic of Serbia), co-chair the regular meetings of the Project Steering Committee;
- Carry out administrative tasks within his/her area of responsibility (e.g. signing cover letters, etc.);
- Take responsibility for interim and final reports together with the PL of the Beneficiary country;
- Ensure a robust steering policy;
- Participate in communication and visibility activities (see Twinning Manual, section 5.7).

The Project Leader profile:

- University degree in the relevant field (economics, statistics or equivalent) or equivalent professional experience of 8 years in the area of Statistics (in addition to the specific experience required below);
- Experiences in management and control and good organizational skills: managing or assisting in management in at least 2 statistical projects would be an asset;
- Minimum of 3 years of professional experience in the field of national accounting;
- Experience of work in international and multicultural environment (involvement in at least 2 EU funded projects at management position would be an asset);
- Fluency in spoken and written English language;
- Familiar with the relevant EU regulations and decisions related to National Accounts;
- Computer literacy and good communication skills;

3.6.2 Profile and tasks of the RTA:

According to the Twinning Manual (section 4.1.6), the Resident Twinning Advisor (RTA) is responsible for the day-to-day implementation of the Twinning Project throughout its duration. The RTA is the backbone of the Twinning Project. The RTA must provide advice and technical assistance to the representatives of the Beneficiary administration. He/she keeps the Beneficiary PL informed of the implementation and reports regularly to the Member State PL. During the project implementation, the RTA regularly updates the work plan to be transmitted to the Project Steering Committee. The RTA will play a key role in coordinating contributions to the project. The RTA will be supported by short term experts.

The Resident Twinning Advisor tasks:

- Ensuring the daily implementation of the Twinning Project in the Beneficiary country with contact points for the Beneficiary structures;
- Drafting the work plan in close cooperation with all actors and based on the expected results of the project;
- Working together with the MS Project Leader and the Project Leader of the Beneficiary administration to mobilize and supervise short-term experts;
- Coordinating the interventions of other experts;
- Providing technical advice and support to representatives of the Beneficiary administration of the Twinning Project;

- Ensuring the proper implementation of the various activities that are carried out;
- Organizing all project activities, such as workshops, study visits, training and short-term expertise, etc.;
- Preparing regular project monitoring meetings/briefings;
- Preparing quarterly and monthly reports (to be signed off by the Project Leaders);
- Making recommendations to ensure optimum project results;
- Regularly updating the work plan and transmitting project updates to the Project Steering Committee under the authority of the Member State and the Project Leaders.

The Resident Twinning Advisor profile:

- University degree in the relevant field (economics, statistics or equivalent) or equivalent professional experience of 8 years in the area of Statistics (in addition to the specific experience required below);
- Minimum of 3 years professional experience in the field of national accounting;
- Proficiency in standard computer tools/software (Word, Excel, PowerPoint, Outlook, video-conferencing, etc.) that are necessary to implement the project;
- Fluency in spoken and written English;
- Have good knowledge of European legislation in the area of Statistics and regulations;
- Have experience in supporting the transposition or approximation of the Union acquis;
- Have experience in managing a project in a similar field, preferably an international project would be an asset;
- Have good negotiation/administration skills;
- Have good communication and coordination skills.

3.6.3 Profile and tasks of Component Leaders:

Component	Profile
Component 1: Strengthening SORS Expertise in Implementing the Capital Stock Survey, Land Estimation, and Post-Estimation Data Processing	<ul style="list-style-type: none"> • University degree in the relevant field (economics, statistics, mathematics or equivalent) or equivalent professional experience of 8 years in statistics. • Minimum of 3 years of general professional experience in the Statistics; • Minimum of 3 years of specific professional experience in the area of National Accounts. Having experience in work on investment surveys, estimation of capital goods (including estimates of land) and compilation of balance sheet of non-financial assets is desirable; • Good knowledge of the ESA 2010, OECD Manual on measuring capital, Eurostat-OECD Compilation guide on land estimations and the requirements of the Eurostat Transmission program and other European legislative and regulatory framework in the area of Statistics. • Fluency in spoken and written English language
Component 2: Preparation and Design of the Capital Stock Survey	<ul style="list-style-type: none"> • University degree in the relevant field (economics, statistics, mathematics or equivalent) or equivalent professional experience of 8 years in statistics. • Minimum of 3 years of general professional experience in the Statistics (required);

	<ul style="list-style-type: none"> • Minimum of 3 years of specific professional experience in the area of National Accounts. Having at least 3 years' experience in preparation/organization or implementation of investment/capital stock survey or other statistical surveys is desirable; • Good knowledge of the ESA 2010, OECD Manual on measuring capital and the requirements of the Eurostat Transmission program and other European legislative and regulatory framework in the area of Statistics (required). • Fluency in spoken and written English language
Component 3: Development of a Methodology for Land Estimation	<ul style="list-style-type: none"> • University degree in the relevant field (economics, statistics, mathematics or equivalent) or equivalent professional experience of 8 years in statistics. • Minimum of 3 years of general professional experience in the Statistics; • Minimum of 3 years of specific professional experience in the area of National accounts. Having experience in work on investment surveys, estimation of estimation of capital goods/consumption of fixed capital (including estimates of land) and compilation of balance sheet of non-financial assets is desirable; • Good knowledge of the ESA 2010, Eurostat-OECD Compilation guide on land estimations, the requirements of the Eurostat Transmission program and other European legislative and regulatory framework in the area of Statistics. • Fluency in spoken and written English language
Component 4: Compilation of Fixed Asset Classification Tables and the Balance Sheet for Non-Financial Assets	<ul style="list-style-type: none"> • University degree in the relevant field (economics, statistics, mathematics or equivalent) or equivalent professional experience of 8 years in statistics. • Minimum of 3 years of general professional experience in the Statistics (required); • Minimum of 3 years of specific professional experience in the area of National accounts. Having experience in work on investment surveys, estimation of estimation of capital goods/consumption of fixed capital (including estimates of land) and compilation of balance sheet of non-financial assets is desirable; • Good knowledge of the ESA 2010, OECD Manual on measuring capital, Eurostat-OECD Compilation guide on land estimations, the requirements of the Eurostat Transmission program and other European legislative and regulatory framework in the area of Statistics • Fluency in spoken and written English language

3.6.4 Profile and tasks of other short-term experts:

For each activity that is linked to a Component Result, MS Experts shall be mobilised in the form of short-term missions, with each Expert acting within his/her own field of speciality. These missions will be scheduled and initiated by the RTA, in consultation with the PL, and

defined on a quarterly basis according to the work programme. In operationally justified cases, and in agreement with the Contracting Authority, there may be activities implemented by short-term experts from the Member State via videoconferencing tools.

Detailed profiles and tasks of short-term experts will be provided in Twinning Work Plan. The indicative requirements are following:

- Provide technical input in specific areas of project implementation including technical and institutional support, organization of training workshops, drafting of training materials, drafting of required documents and other activities mentioned in their respective references;
- Provide support to Beneficiary Departments in implementing activities and provide specific recommendations in their role as specialists;
- Provide the RTA with an activity report and the deliverables planned for the end of each mission.

The qualifications and experience required for short-term experts are as follows:

- University degree in the relevant field (economics, statistics, mathematics or equivalent) or equivalent professional experience of 8 years in statistics;
- Minimum of 3 years of specific professional experience in the area of National accounts. Having experience in work on investment or other statistical surveys, estimation of capital goods/consumption of fixed capital (including estimates of land) and compilation of balance sheet of non-financial assets is desirable;
- Fluency in spoken and written English;
- Proficiency in standard computer tools/software (Word®, Excel®, PowerPoint®, Outlook®, videoconferencing, etc.) that are necessary to implement the project;
- Training experience and experience on manual and guide preparation.

4. Budget

Maximum Budget available for the Grant: 1,999,999.00 EUR

EU support to strengthen capacities of the Statistical Office of the Republic of Serbia to implement capital stock survey and land estimation	IPA Contribution	National co-financing	TOTAL
Twinning Contract (EUR)	1 999 999	/	1 999 999

5. Implementation Arrangements

- 5.1 Implementing Agency responsible for tendering, contracting and accounting (AO/CFCU/PAO/European Union Delegation/Office):

Delegation of the European Union to the Republic of Serbia
Address: Vladimira Popovica 40, 11 070 Belgrade
Tel: +381 11 3083 200
Fax: +381 11 3083 201
E-mail: delegation-serbia@eeas.europa.eu

5.2 Institutional framework

A Project Steering Committee will be formed as set out in 5.2.4 of the Twinning Manual.

The beneficiary of the project is Statistical Office of the Republic of Serbia (SORS), and more specifically, the Department for National Accounts and Prices and Agriculture.

SORS Department for National Accounts and Prices and Agriculture consists of: Division for Annual and Quarterly National Accounts; Division for Input-output Statistics Sector and Regional Accounts; Division for Price Statistics and Division for Agriculture and Forestry Statistics. This Department performs work on the development of the system of national accounts; price statistics and agricultural statistics. It also performs a coordinating role in the system of official statistics in the mentioned areas; participates in the establishment of the financial management and control system in the scope of the Department; participates in the processes related to the professional training of other employees and other tasks within the scope of the Department.

SORS Project Management Unit is part of Department of International Cooperation and performs tasks on the preparation, implementation and monitoring of projects supported from EU funds and other funds at the national and regional level; participates in the processes related to the professional training of other employees and other tasks within the scope of the organization Unit.

5.3 Counterparts in the Beneficiary administration:

5.3.1 Contact person:

Project Manager:

Ms. Mira Nikić, Acting Assistant Director, Department for International Cooperation

E-mail: mira.nikic@stat.gov.rs

Phone: +381 11 2402 643, +381 11 2412 966; +381 11 2412 922, ext. 349

5.3.2 PL counterpart

Beneficiary Project Leader:

Mr. Dušan Gavrilović, Acting Assistant Director, Department for National Accounts and Prices and Agriculture

E-mail: dušan.gavrilovic@stat.gov.rs

Phone: +381 11 2403 154; +381 11 2412 922, ext. 381

The BC Project Leader will manage a project team at SORS side and will assure that the decision-makers at the national level will be informed properly on the implementation of the project. He will ensure close cooperation and overall steering and coordination of the project and will be responsible for drafting and signing of the reports and other documents, related to the project management and will chair PSC meetings.

5.3.3 RTA counterpart

Beneficiary Resident Twinning Advisor:

Ms. Svetlana Jelić, Head, Annual and Quarterly National Accounts Department

E-mail: svetlana.jelic@stat.gov.rs

Phone: +381 2412 983

6. Duration of the project

Duration of the execution period is: 36 months for implementation period + 3 months.

Provisional schedule of implementation:

- Launching of the call for proposals (Date): Q2 2025;
- Start of project implementation (Date): Q4 2025;
- Project completion (Date): e.g. Q4 2028.

7. Management and reporting¹

7.1 Language

The official language of the project is the one used as contract language under the instrument (English / French). All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

7.2 Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include verification of the progress and achievements via-à-vis the mandatory results/outputs chain (from mandatory results/outputs per component to impact), ensuring good coordination among the actors, finalising the interim reports and discuss the updated work plan. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.3 Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twinning: interim quarterly reports and final report. An interim quarterly report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements

¹ Sections 7.1-7.3 are to be kept without changes in all Twinning fiches.

via-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure the further progress.

8. Sustainability

Achieving full compliance with Eurostat's Transmission Program is a sustainable and strategic decision for Serbia, ensuring long-term benefits for economic governance, policymaking, and EU accession. This project will result in strengthening the expertise of SORS to implement capital stock survey and land estimation, and further development of national statistical capacity in compiling national accounts, therefore Serbia will reduce its reliance on EU-funded technical assistance in the future. Once full compliance with Eurostat's Transmission Program is achieved through development of methodology on capital stock survey and land estimation and respective capacity building of SORS on survey implementation, the SORS can maintain production of high-quality macroeconomic statistics in the long run as the regular activity at the low level of operational costs that can be comfortably funded by the SORS own budget.

9. Crosscutting issues (*equal opportunity, environment, climate etc...*)

The basic principle of equal opportunities will be adhered to as reflected in Serbian legislation. Gender equity principles will be respected in the implementation of all Project activities. Based on the fundamental principles of promoting equality and combating discrimination, participation in the operations will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. All contractors shall be requested to provide monitoring data recording the participation of men and women in terms of expert inputs (in days), as a proof of equal participation of man and women during the implementation phase.

As for engagement with civil society and non-government stakeholders, due to the scope of domain, the project will enable an active involvement of business actors across economic sectors and other relevant non-government actors. The experts' support in advisory and trainings may provide for more synergies between policies and active engagement of the above groups in their implementation. Environmental/climate change issues and minorities/vulnerable groups issues are not applicable to this project.

10. Conditionality and sequencing

This twinning project requires the full commitment and participation of the senior management and other relevant SORS staff. In addition to providing the twinning partner with adequate resources to operate effectively, the senior management must be fully involved in the development and implementation of the project results.

There are neither special factors nor external conditions pre-required to the launching of the project. On the other hand, the project result #4 "*Compilation of all elements for tables for classification of fixed assets by industry and by asset and the balance sheet for non-financial assets*" is conditional on the implementation of the capital stock survey that will be financed by co-funding from IPA 2025-2027 grant and national budget. Dynamics of capital stock survey execution will be fully aligned with dynamics of the activities covered by this project in order to secure successful completion of the compliance with

Eurostat's Transmission Program and production of set of tables for the balance sheet for non-financial assets that will be submitted to Eurostat.

11. Indicators for performance measurement

Component 1: Strengthening SORS Expertise in Implementing the Capital Stock Survey, Land Estimation, and Post-Estimation Data Processing

- Justified assistance of RTA during the whole duration of the contract (mission reports, minutes meetings)
- Proven autonomy of SORS staff in compiling capital stocks data for Tables 20 and 26 of ESA 2010 transmission programme.

Component 2: Preparation and Design of the Capital Stock Survey

- Survey manual finalized and approved by SORS.
- Questionnaire designed, validated, and ready for implementation.
- Sample selection criteria defined.
- The results of the Pilot survey assessed and recommendations for the improvement of the survey elaborated.

Component 3: Development of a Methodology for Land Estimation

- Comprehensive documentation (Description of sources and methods) on data sources and the methodology for land estimation elaborated and formally approved by SORS.
- Implementation of the methodology and the results reviewed, assessed and refined.

Component 4: Compilation of Fixed Asset Classification Tables and the Balance Sheet for Non-Financial Assets

- The tables of fixed assets by industry and asset type compiled in accordance with Eurostat's ESA 2010 transmission program and submitted to Eurostat for evaluation.
- The balance sheet for non-financial assets, including land estimates, compiled and submitted to Eurostat for evaluation.

12. Facilities available

SORS will provide the MS Twinning partner with adequate office space for RTA and experts, meeting rooms and equipment necessary for relevant everyday activities. SORS will dedicate all necessary human and institutional resources in order to guarantee an effective implementation of the respective project.

Annex C1a : Simplified Logical Framework

	Description	Indicators (with relevant baseline and target data)	Sources of verification	Risks	Assumptions (external to project)
Overall Objective	To support Statistical Office of the Republic of Serbia to reach an improved compliance with Eurostat's Transmission Program regarding required National Accounts ESA 2010 datasets and indicators and, thus, fulfilment of the requirements for closure of the Chapter 18	<p>Level of preparedness of Serbia on the Chapter 18 Statistics</p> <p>Baseline: Moderately prepared (2023) Target: Good level of preparation (2031)</p>	European Commission Annual Progress Report	Political commitment to aligning Serbia's statistical system with the EU may weaken due to changes in government priorities, political instability, or shifts in policy focus, potentially delaying reforms and hindering compliance with EU statistical requirements.	The political commitment to improve alignment of the Serbia's statistical system to EU statistical system remains stable.
Specific (Project) Objective(s)	Development of the methods and data sources for compilation of missing datasets needed for improved compliance with the ESA 2010 Transmission Programme	<p>Compliance of Serbian national accounts data with the ESA 2010 Transmission Programme related to tables 20 (Cross Classification of fixed assets by industry and by assets) and 26 (Balance Sheet for non-financial assets)</p> <p>Baseline: 0% (2024) Target: 100% (2030)</p>	SORS reports		

<p>Mandatory results/outputs by components</p>	<p>Component 1: Strengthening SORS expertise in implementing the Capital Stock Survey, Land Estimation and Post-Estimation Data Processing</p> <p>Result 1.1: Enhanced capacity SORS staff through structured knowledge transfer</p> <p>Result 1.2: Training sessions, workshops, and study visits organized to facilitate the transfer of expertise from the twinning institution to SORS.</p>	<p>1.1 Justified assistance of RTA during the whole duration of the contract (mission reports, minutes meetings)</p> <p>1.2. Proven autonomy of SORS staff in compiling capital stocks data for Tables 20 and 26 of ESA 2010 transmission programme.</p>	<p>Project report</p>	<p>Insufficient allocation of national budget funds or delays in securing IPA grant funding could jeopardize the data collection phase of the Capital Stock Survey, leading to incomplete or lower-quality data, delays in implementation, or the inability to fully align with EU statistical requirements.</p>	<p>Sufficient amount of additional funding from national budget and IPA grant is secured to finance data collection phase of the capital stock survey.</p>
	<p>Component 2: Preparation of the capital stock survey</p> <p>Result 2.1: Comprehensive survey methodology, including the preparation of a detailed survey manual, design of questionnaire</p>	<p>2.1.1 Survey manual finalized and approved by SORS. Baseline 0 (2025), target 1 (2026)</p> <p>2.1.2 Questionnaire designed, validated, and ready for implementation. Baseline 0 (2025), target 1 (2026)</p>			

	<p>and sample selection criteria developed</p> <p>Result 2.2: Development of customised modules (variants) of the questionnaire for different institutional sectors and households.</p> <p>Result 2.3: Expertise provided in conducting a pilot survey on a limited number of units to test and refine the methodology</p> <p>Component 3: Development of a methodology for land estimation</p> <p>Result 3.1: Fact-finding mission carried out to identify and evaluate relevant data sources for land estimation</p> <p>Result 3.2: Standardised and robust Methodology for land estimation, according to the OECD-Eurostat Manual developed</p>	<p>2.1.3 Sample selection criteria defined. Baseline 0 (2025), target 1 (2027)</p> <p>2.2. The results of the pilot survey assessed and recommendations for the improvement of the survey elaborated. Baseline 0 (2025), target 1 (2027)</p> <p>3.1 Comprehensive documentation (Description of sources and methods) on data sources and the methodology for land estimation elaborated and formally approved by SORS. Baseline 0 (2025), target 1 (2027)</p> <p>3.2 Implementation of the methodology and the results reviewed, assessed and refined. Baseline 0 (2025), target 1 (2028)</p>			
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	<p>Component 4: Compilation of Fixed Assets Classification Tables and Balance Sheet for Non-Financial Assets by Industry and by Asset and the Balance Sheet for Non-Financial Assets</p> <p>Result 4.1: Support provided for data evaluation, statistical analysis and capital stock estimation of produced fixed assets using surveyed data</p> <p>Result 4.2: Balance sheet for non-financial assets compiled, including fixed asset classifications by industry and asset type, along with land estimates</p>	<p>4.1 The tables of fixed assets by industry and asset type compiled in accordance with Eurostat's ESA 2010 transmission program and submitted to Eurostat for evaluation. Baseline 0 (2025), target 1 (2028)</p> <p>4.2 The balance sheet for non-financial assets, including land estimates, compiled and submitted to Eurostat for evaluation. Baseline 0 (2025), target 1 (2028)</p>			
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