

Institutionalising high data quality management of business statistics in Croatian Customs

Deliverable 6: Final report

Technical Support Instrument

Supporting reforms in 27 Member States



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1. INTRODUCTION

1.1. BASIC INFORMATION ABOUT THE PROJECT

Contractor

The contractor is the **IBF International Consulting Consortium**.

Contracting authority

The contracting authority is Directorate-General for Structural Reform Support (**DG REFORM**).

Beneficiary authority

The beneficiary authority (hereinafter: **the Beneficiary**) of this project is the **Ministry of Finance – Customs Administration** (MFCA), with the Intrastat Department as the key department, operating within the Information System Sector. The project team of the Intrastat Department cooperated with the Contractor's project team throughout the implementation of the project, i.e. in the preparation of all deliverables – they provided the Contractor with the necessary information and documentation, participated in workshops and carried out the review of deliverables.

Stakeholders

The project also indirectly involved stakeholders in the collection/processing/production of intra-EU trade data:

- Croatian Bureau of Statistics (CBS),
- Ministry of Finance – Tax Administration (MFTA).

MFTA is the source of the VAT data which is delivered to the Intrastat Department and used as baseline for data collected and processed via Intrastat survey by the Intrastat Department. Intrastat survey data and VAT data processed by the Intrastat Department is further transmitted to the CBS which distributes it to other EU Member States and Eurostat. The roles of MFTA and CBS in this project were minor as the project was dealing with the quality aspects within the Intrastat Department. Still, both stakeholders were informed about the project and participated in the training related to the Change management plan prepared within this project. The role of CBS will be much more important during the implementation of the Action plan, also prepared as a result of this project, when proposed changes will be actually implemented. Close cooperation of the Intrastat Department and CBS will be required to implement all of the planned changes.

The project was implemented within a timeframe of 15 months, i.e. from 4 April, 2022 until 4 July, 2023. The project implementation included 6 deliverables:

- **Deliverable 1:** Inception report,
- **Deliverable 2:** Analytical report on the current situation regarding the collection, processing and production of intra-EU trade data,
- **Deliverable 3:** Data quality management methodology and design report,
- **Deliverable 4:** Gap analysis and action plan,
- **Deliverable 5:** Change management plan,
- **Deliverable 6:** Final report.

Main outcome of the project: Provided that such work/recommendations will be incorporated as part of Croatia's institutional and operational framework, the deliverables are expected to result in an improved capacity of the Intrastat Department to collect, process and produce high quality business statistics.

Expected impact of the project: Project deliverables should over the longer-term contribute towards a consistently high quality of statistical data, a lower administrative burden on businesses that need to provide statistical information, and a more cost-effective and sustainable Intrastat Department

The scope and focus of the project were elaborated during the initial phase of the project, at the Kick-off meeting and through further exchanges, in particular regarding the following business aspects of the Intrastat Department:

- **Operational aspect** which deals with how key activities are carried out in the Intrastat Department and their interdependence, focusing on business processes, activities carried out within the processes, timing of their execution, prerequisites, the procedures for their monitoring, the responsible persons, and the designated teams;
- **Technical aspect** which deals with the procedures and methodology for collecting/processing/producing data and carrying out data quality controls which are within the scope of the project and include descriptions of data controls, indicators that determine the quality of data, and key indicators of process quality ;
- **Technological aspect** which deals with the technologies (IT infrastructure, systems, and tools) that support the execution of analysed business processes and which contain data quality controls, and methodology described in the technical aspect;
- **Organisational aspect** which deals with the organizational structure of the Intrastat Department and the general organization of Intrastat's work in Croatia .

All project tasks were carried out with having these four aspects in mind and all deliverables addressed those aspects.

2. SUMMARY OF THE COURSE AND MAIN RESULTS OF PROJECT DELIVERABLES

Below is a concise overview of all project deliverables, i.e. the main events and outcomes of the deliverables.

The project officially started on 4 April 2022 and the Beneficiary and the Contractor immediately commenced the work on Deliverable 1.

2.1. DELIVERABLE 1: INCEPTION REPORT

Under Deliverable 1 two tasks were carried out:

- 1.1 Organise the kick-off meeting and deliver a presentation;
- 1.2 Draft and submit the inception report (incl. visual summary fiche).

The communication between the Beneficiary's and Contractor's teams started early in the project with the introductory on-line meeting held on 14 April 2022. The meeting was organized to introduce members of both teams, to discuss the organization of the Kick-off meeting and to agree on the documentation to be provided by the Beneficiary which was necessary for the Contractor to start with desk research and preparation of the Inception report.

The central event of Deliverable 1 was the Kick-off meeting held in Čakovec on 28 April 2022 and attended by the members of the Contractor's project team, the Beneficiary's team and other invited representatives of the Intrastat Department, representatives of DG REFORM (including the Country Coordinator for Croatia and the policy officer) and Croatian Bureau of Statistics. After the Kick-off meeting, through further meetings and communication, the Contractor and the Beneficiary agreed on the final project work plan, including the definition of the scope and focus of the project, as well as the project management procedures (communication plan and means, plan for monitoring the project implementation, including the composition of the Project Steering Committee, risk management plan, etc.). Only minor modifications of the project methodology were made. All the results of the project inception phase were presented in the Inception report which, together with the visual project summary fiche, was submitted for acceptance to the Beneficiary and the Contracting Authority.

Deliverable 1 was submitted¹ to the Contracting Authority on: 13/05/2022

Deliverable 1 was approved² by the Contracting Authority on: 20/05/2022

¹ The date when the deliverable was "submitted to the Contracting Authority" is considered to be the date when the first version of the deliverable was sent to the Contracting Authority for review and comments.

² The date when the deliverable was „approved by the Contracting Authority“ is considered to be the date when all the comments for the deliverable were resolved and the Contracting Authority approved the deliverable.

2.2. DELIVERABLE 2: ANALYTICAL REPORT ON THE CURRENT SITUATION REGARDING THE COLLECTION, PROCESSING AND PRODUCTION OF INTRA-EU TRADE DATA

Under Deliverable 2 four tasks were carried out:

- 2.1 Analyse the current situation ('as-is' analysis);
- 2.2 Elaborate provisional recommendations to address (potential) weaknesses;
- 2.3 Identify Intrastat's needs and objectives;
- 2.4 Draft and submit deliverable.

A comprehensive analysis of the current situation in the Intrastat Department was carried out regarding the collection, processing and production of intra-EU trade data, which allowed to identify and describe current practices, processes, and procedures. This analysis spotted and defined strengths and weaknesses, problems and causes, limitations, and risks across all four levels: operational, technical, technological (ICT) and organisational, and initial proposals and recommendations were prepared on how the Intrastat Department can overcome identified weaknesses.

The analysis was carried out by reviewing the available documentation prepared by the Beneficiary and organizing workshops with the Beneficiary, which were necessary for carrying out a complete assessment of the current situation. Available documentation included rulebooks of MFCA/Intrastat Department, Intrastat system specifications and other relevant IT infrastructure elements, regulations on European statistics on international trade in goods (ITGS) between EU Member States (intra-Union) and further data processing, documented description of the business processes and procedures of the Intrastat Department, user guides of IT applications, descriptions of the methodology currently used for data collection, processing, and production, etc. Results of the analysis were presented in Deliverable 2 under the *As-Is analysis and elaboration of initial recommendations*. Under this task 22 business processes were analysed, along with 50+ data quality controls, 8 IT systems and 2 units with 5 teams within the Intrastat Department.

The summary of the analysis was presented with a SWOT analysis of the Intrastat Department, of the complete process of collecting, processing, producing and delivering Intrastat data, as well as analysis of the technological support that the Department has in performing business processes. *SWOT analysis of the current situation* in Deliverable 2 presented 15 strengths, 13 weaknesses, 17 opportunities and 13 threats according to all four mentioned aspects.

Based on the results of conducted analyses and additional workshops, an assessment and identification of the needs and objectives of the Intrastat Department were carried out to accurately determine the currently unmet requirements. The results of assessment and identification were documented under *Identification of needs and objectives* of Deliverable 2. There were 11 needs and 7 objectives identified under this task.

Deliverable 2 was submitted to the Contracting Authority on: 04/10/2022

Deliverable 2 was approved by the Contracting Authority on: 11/10/2022

2.3. DELIVERABLE 3: DATA QUALITY MANAGEMENT METHODOLOGY AND DESIGN REPORT

Under Deliverable 3 three tasks were carried out:

- 3.1 Develop a data quality methodology;
- 3.2 Design the desired situation ('to-be' analysis);
- 3.3 Draft and submit deliverable 3.

Data quality management methodology was developed with the focus on data collection, data processing and achieving high-quality finished products. The methodology addressed four main components of quality management: quality planning, quality assurance, quality control and quality improvement. The methodology proposed implementation of data quality controls (under quality control), introduction of new business processes related to quality (under quality assurance) and, in the long run, implementation of the quality management system.

Figure 1. The relationship between control, assurance and quality management.



The base for the analysis of the desired “To-Be” situation was the analysis of the „As-Is“ state that was produced as a result of *Task 2.1: Analyse the current situation ('as-is' analysis)* which was enhanced with the recommendations produced as the result of *Task 2.2: Elaborate provisional recommendations to address (potential) weaknesses* and the best practices from the *Task 3.1: Develop a data quality methodology*. The “To-Be” analysis contained a proposal for the desired situation categorized into organizational, operational, technical and technological aspects.

Descriptions of business processes with associated activities were focused on the operational aspect. The descriptions of business processes also included references to the technical aspect (data controls, processing, and analyses carried out on data), to the technological aspect (IT systems and tools used in the execution of business processes), and to the organizational aspect (departments, sectors and other institutions participating in business processes). Previously recognized recommendations for improvement and best practices defined by the *Intrastat data quality management methodology* have been implemented in all aspects.

Deliverable 3 also contained results of the gap analysis, which was fed into the next step of the project, i.e. the *Task 4.1: Analyse the gaps between the current and the desired situation* under Deliverable 4.

Deliverable 3 was submitted to the Contracting Authority on: 03/02/2023

Deliverable 3 was approved by the Contracting Authority on: 10/02/2023

2.4. DELIVERABLE 4: GAP ANALYSIS AND ACTION PLAN

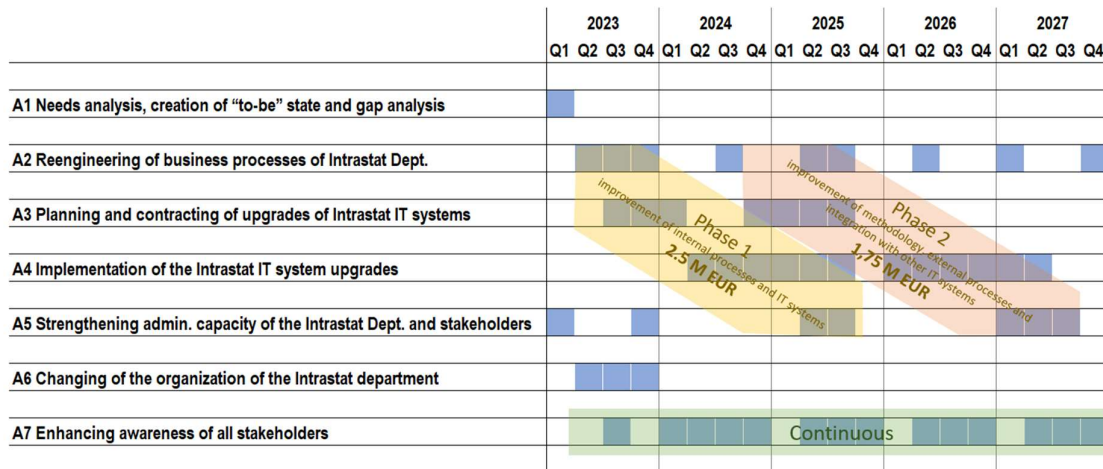
Under Deliverable 4 three tasks were carried out:

- 4.1 Analyse the gaps between the current and the desired situation;
- 4.2 Develop an action plan;
- 4.3 Draft and submit deliverable 4.

As a basis for the Gap analysis, an analysis of the existing situation was taken from the results of the *Task 2.1: Analyse the current situation (“As-Is” analysis)*, which was placed in the relationship with the proposal of the future situation that arose from the result of *Task 3.2: Design the desired situation (“To-Be” analysis)*. Results of the gap analysis were categorized into operational, technical, technological and organizational aspects. Under operational aspect there were 24 business processes addressed where 14 of them were identified as changed, 2 business processes were added and 8 business processes were identified as not to be changed. In the technical aspect there were 50+ existing data controls verified, 12 new data controls were introduced and changes to data collection and processing methodology were proposed. In the technological aspect there were 2 IT systems identified to be improved, 1 IT system to be retired (i.e. their functions will be integrated into other IT systems) and 5 IT systems were identified as not to be changed. Under organizational aspect there was 1 new unit to be introduced in the Intrastat Department together with two existing units.

The document was concluded with the Action Plan 2023-2027, which presents the timed activities needed to implement the Intrastat data quality management methodology and the activities necessary to address identified weaknesses and implement the “To-Be” state. The Action plan included the formulation of objectives, actions (including prioritisation), stakeholders (key actors and roles), target dates, related costs and potential sources of funding and instruments to monitor and control implementation. The activities in the action plan were timed and displayed using the Gantt timeline diagram. The Action plan included the summary of the costs needed for the implementation as well as an analysis of potential sources of funding for activities requiring external contracting.

Figure 2. Action plan 2023. - 2027.



The Action plan consists of seven major activities ranging from analysis and reengineering of business processes, modification of the structure of the Intrastat Department and planning, contracting and implementing necessary upgrades of Intrastat IT systems (in two phases), to strengthening administrative capacity and improving stakeholder awareness of Intrastat survey and its importance.

Deliverable 4 was submitted to the Contracting Authority on: 04/04/2023

Deliverable 4 was approved by the Contracting Authority on: 03/05/2023

2.5. DELIVERABLE 5: CHANGE MANAGEMENT PLAN

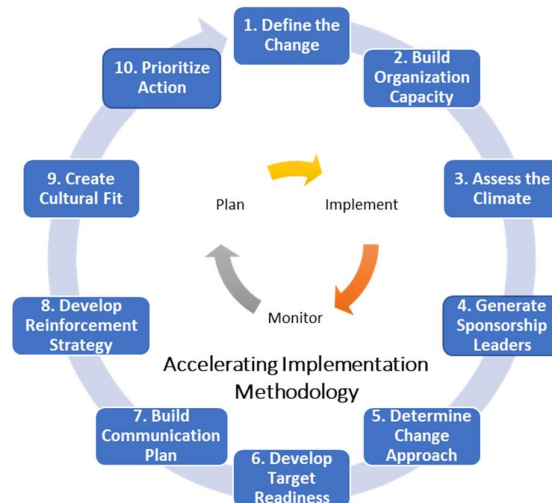
Under Deliverable 5 three tasks were carried out:

- 5.1 Elaborate a change management plan;
- 5.2 Prepare and deliver three training sessions;
- 5.3 Draft and submit deliverable 5.

The primary goal of the Change management plan is to enable the introduction of useful changes, with minimal disruption of business services provided by the system.

The basis for the Change management plan presented in Deliverable 5 was the Action plan produced as a result of the *Task 4.2: Develop an action Plan*. The aim of the Change management plan is to ensure the use of standardized methods and procedures for the efficient and rapid handling of recognized changes. This plan will reduce the impact of incidents related to changes on the quality of statistical services and data, and consequently improve the day-to-day operations of the organizations involved. The Change management plan was based on the Accelerating Implementation Methodology (AIM).

Figure 3. Accelerating Implementation Methodology (AIM) was used to prepare the Change management plan.



Deliverable 5 also contains the results of the training needs analysis which was made in relation to the Change management plan in order to present the plan through training sessions and to provide the participants with practical advice for the implementation of the plan itself.

For the following identified target groups, the training sessions were carried out:

- representatives of the stakeholders of the Intrastat System (CBS, MFTA and MFCA) – training was carried out on 19 April 2023 with 19 participants;
- staff of the Intrastat Department – training was carried out on 28 April 2023 with 28 participants;
- representatives of the management of MFCA (heads of sectors, deputy directors and assistant directors of MFCA) – training was carried out on 12 May 2023 with 10 participants.

The training covered the following topics:

- About this project and project activities;
- About Intrastat in Croatia; results of analyses carried out, conclusions and recommendations;
- Action plan 2023-2027;

- Improvements and expected involvement of stakeholders;
- Risks and change management.

Deliverable 5 was submitted to the Contracting Authority on: 30/05/2023

Deliverable 5 was approved by the Contracting Authority on: 02/06/2023

2.6. DELIVERABLE 6: FINAL REPORT

Under Deliverable 6 two planned tasks were carried out:

- 6.1. Draft and submit the final report;
- 6.2. Prepare a visual project summary fiche

In addition to those two planned tasks, the Beneficiary and the Contractor decided to carry out additional task:

- 6.0 Organise the closing meeting

This additional task was organization of the project closing meeting with the purpose of increasing the project visibility among other stakeholders (i.e. CBS) and to contribute to the project goals and future implementation of the recommendations prepared under this project. Closing meeting was organized on 14 June 2023 with participants and high positioned representatives from DG REFORM (DG REFORM Country Coordinator for Croatia and the policy officer), MFCA (deputy director) and CBS and as such added additional value to the project. The presentations were given by Beneficiary's and Contractor's project managers and representatives of Beneficiary's and Contractor's project team.

The Final report is this document, submitted to the Beneficiary and Contracting Authority on 4 July, 2023, together with the visual project summary fiche (document in the annex of this report: Deliverable_6-Annex_1-Visual_project_summary_fiche-EN-v1_0).

3. REVIEW OF THE PROJECT METHODOLOGY

3.1. METHODOLOGY FOR WORK ON DELIVERABLES

Throughout the project the Contractor followed the methodology for creation of deliverables as set out in the project Inception report. There was only a minor modification of the methodological approach for preparing the Change management plan in Deliverable 5, where the Accelerating Implementation Methodology (AIM) was subsequently assessed as the methodology that can cover all the envisaged aspects and can be more efficiently applied to the Beneficiary's context, and therefore was selected for the implementation of Deliverable 5 instead of the initially proposed methodology AGS Change Management Methodology.

The main types of activities were research of Beneficiary's documentation (desk research), and organization of workshops and training sessions.

Desk research

Work on Deliverable 1 (Inception report) and Deliverable 2 (Analytical report on the current situation regarding the collection, processing and production of intra-EU trade data) was mainly based on analysis of documentation prepared by the Beneficiary. The Beneficiary had provided significant amount of documentation related directly to the topic of the project: documentation of their business processes and procedures, descriptions of data controls and data collection and processing methodology, user and technical manuals of IT systems and information regarding the organization structure. This documentation enabled the Contractor to efficiently carry out analysis without need for long workshops for extracting information.

Work on Deliverable 3 (Data quality management methodology and design report) and Deliverable 5 (Change management plan) was more oriented on researching documentation that was not provided by the Beneficiary. For the preparation of the Data quality management methodology and "To-Be" situation in Deliverable 3, the Contractor analysed documents from Eurostat, Croatian Bureau of Statistics as well as documents and standards dealing with overall quality, such as ISO 9001. For the preparation of the Change management plan, it was essential to use an internationally recognized methodology so the Contractor identified a suitable methodology and prepared the Change management plan according to that methodology.

Workshops

Workshops facilitated brainstorming and exchange of ideas, and they proved essential for successful implementation of this project. Initial workshops for each deliverable were carried out as face-to-face workshops on Beneficiary's premises which was possible since most of the Contractor's experts were local. These initial workshops were used to present and agree on the approach to the tasks within the deliverable before the work on that particular deliverable starts. Another workshop was organized once the first draft of the deliverable was prepared by the Contractor in order to speed up the feedback on the deliverable. With that approach the final comments on the deliverable were minor ones and they were exchanged by e-mail, through comments within the deliverable document or during short on-line meetings.

Training

This project included organising and carrying out three training sessions with participants from both MFCA and stakeholder institutions (CBS and MFTA). Organization of training is usually subject to risks related to the availability of participants, and such a risk manifested in this project. Although the organization of the training (planned to be held in April 2023) started early in March 2023 and the Contractor's team put all the necessary efforts to organize training sessions with full support of Beneficiary's project team following their internal procedures, there was still a delay in organization of one training session due to unavailability of individual participants. However, the impact of this realised risk was only minor as this project only had a limited number of training sessions and there was enough time to accommodate the slight delay.

All training sessions were successful, but the training session that was organised for stakeholder representatives of the Intrastat System (CBS, MFTA and MFCA) produced the greatest effect. This training session served on

multiple levels: as a training session, as a visibility event for the project and as a mini workshop between the CBS, MFTA and MFCA.

3.2. METHODOLOGY OF PROJECT MANAGEMENT

The implemented project management was also based on the methods described in the Inception report. The following should be highlighted regarding the implementation of the project communication and coordination plans, and project monitoring and supervision:

1. Regular day-to-day communication was established between the Contractor's team leader and the Beneficiary's project manager, which contributed to the smooth course of the project, i.e. the resolution of any issues was carried out on a daily basis.
2. Transparency of project results was secured through their availability at the project portal established by the Beneficiary.
3. Monitoring of the project was realised through the submission of clearly structured and complete progress reports every two-months from the Contractor to the DG REFORM policy officer. There were 7 two-month progress reports prepared during the project course.
4. Supervision meetings included the meetings of the project Steering Committee, which however need to meet only twice for the purpose of presentation of project results and project course, and where there were no any significant issues to resolve. The first supervisory meeting took place on 19 October 2022 in Zagreb, while the second supervisory meeting was held on 22 February 2023 as on-line meeting.

4. REALISATION OF THE PROJECT PLAN

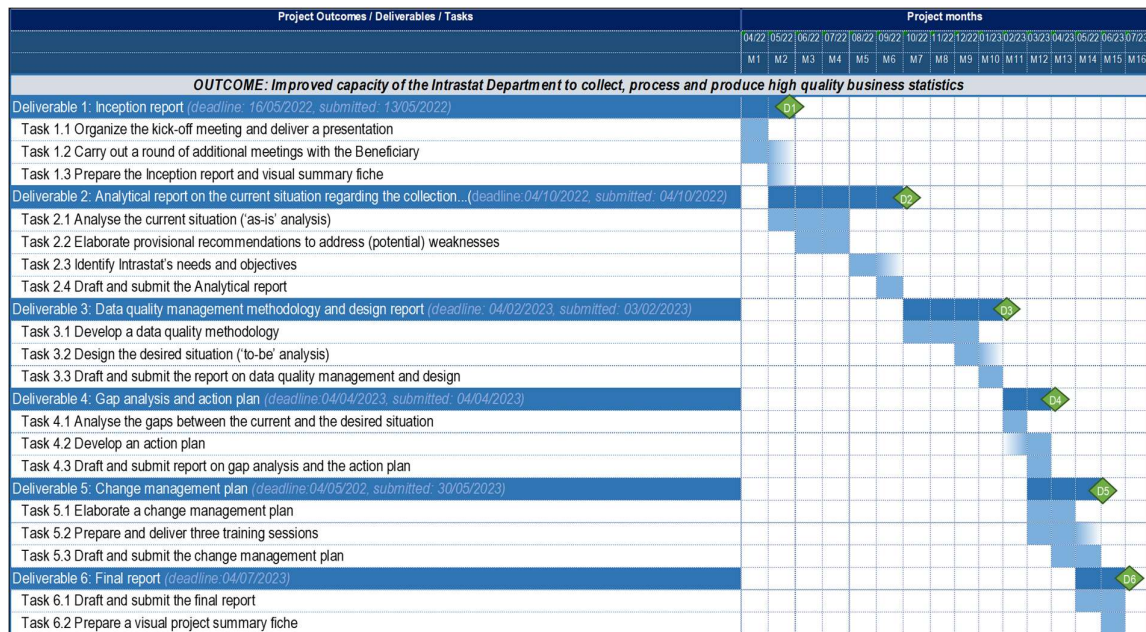
The project implementation took place according to the project plan proposed in the technical offer and further modified in certain elements in the inception phase of the project (Deliverable 1). This refers to the specification of the project focus and the definition of the project problem. In addition, the description of Deliverable 3 was refined in line with the instructions received from the Contracting Authority.

Minor modifications were made to the schedule of deliverable tasks, which was mainly related to the final stages of deliverables. The project's implementation timeline is presented in Figure 4.

During the project there was need for a subsequent modification of the timeline only during Deliverable 5, i.e. close to the end of the project. Since there was a delay in organisation of one training session, the deadline for Deliverable 5 (initially envisaged to last only two months) was moved forward for approximately a month. However, since the final phase of the project (Deliverable 6) had a timeframe which was long enough for concluding activities, the extension of Deliverable 5 was compensated by shortening the timeframe of Deliverable 6, which was assessed as fully acceptable.

There were no other events during the project that could have had a negative impact on the course of the implementation.

Figure 4. Project's implementation timeline. The  indicates the date of submission of deliverable.



5. PROJECT RISK MANAGEMENT

5.1. INITIAL STATUS OF THE RISK REGISTER

In the inception phase of the project, the Contractor established a Risk register, with a total of 7 identified risks (see the table below), for which it was estimated that, if realised, they could have, to a certain extent, impaired the planned project implementation process, either in terms of meeting deadlines or in terms of achieving the desired quality of deliverables.

Risk register	
1.	Unavailability of project participants due to COVID-19 pandemic or other force majeure resulting in the postponement of project work (Probability=Med; Impact=High) <i>Preventive measures:</i> The Contractor will organize as many project events as possible as video-audio conferences and be prepared for quickly switching organization of events originally planned as on-site to on-line manner. <i>Mitigation measures:</i> If a task causes a significant delay in the timeline, the Contractor will perform some tasks in parallel or shorten the timeline of certain tasks by work reorganization. The expert replacement procedure may be also considered.
2.	Delayed and significantly changed request of the Beneficiary regarding the project scope (Probability=Low; Impact=High) <i>Preventive measures:</i> The scope must be clearly defined and communicated to all project participants during the inception phase, as well as the impact of deviation from the project scope and workplan on project outputs and timeline. <i>Mitigation measures:</i> Effective communication channels will be established between project managers of all key participants to agree on the priorities and the best possible solution to keep the project within the agreed timeframe.
3.	Unexpected requirements from Eurostat regarding Intra-EU trade data collection which redirect the work of the Beneficiary's team during this project implementation (Probability=Med; Impact=Med) <i>Preventive measures:</i> In the inception phase, the Contractor will advise the Beneficiary to carefully plan the working hours of its employees and to include this possibility in its risk assessment. <i>Mitigation measures:</i> The Contractor may include the current requirement of Eurostat in its analysis as a working example or entry point for the improvement of processes in the Intrastat Department.
4.	Improper response from the Beneficiary/stakeholders (lack of feedback on deliverables or too late documentation delivery, absence from workshops/meetings, etc.) (Probability=Med; Impact=High) <i>Preventive measures:</i> General deadlines and the notification procedure for deadlines will be clearly defined during the inception phase. The acceptance procedure will be elaborated and communicated to the relevant project participants. <i>Mitigation measures:</i> The Contractor's project manager will escalate any such issue at the monitoring meeting with CA and highlight possible negative impacts on the project. The communication of the project managers of the Contractor and Beneficiary/stakeholders will be enhanced in order to resolve the issue.
5.	The available information is incomplete (the processes of the As-Is state are not well documented or some data is missing) (Probability=Low; Impact=Med) <i>Preventive measures:</i> The Contractor devises a thorough plan for gathering the documentation from all available sources. <i>Mitigation measures:</i> The Contractor finds alternative ways to obtain relevant information (e.g. by organizing additional workshops/interviews, etc.).
6.	Changes in the governance/organisation of the Beneficiary and need for the introduction of the Beneficiary's executives or other staff into work accordingly, or any other continuity problem (Probability=Med; Impact=Med) <i>Preventive measures:</i> The Contractor will monitor and anticipate any relevant changes. The Beneficiary will timely announce the changes to enable the Contractor to adapt.

Mitigation measures: The CA's policy officer will communicate the scope of the project and responsibilities to the new governance/ organizational structure of the Beneficiary.

7. **Lack of proper and timely planning of the staff's duties by the Beneficiary's management resulting in absenteeism during the training sessions to be organized in Deliverable 5** (Probability=Med; Impact=Med) *Preventive measures:* The Contractor plans to timely raise awareness regarding the importance of alignment of the work of Beneficiary with the training schedule. *Mitigation measures:* The Contractor will rearrange the training schedule or prepare additional guidelines for self-study of trainees.

5.2. FINAL STATUS OF THE RISK REGISTER

During the project, only the risk #7 from the initial Risk register was partly realised, i.e. relating to only one of the training sessions. There were no new risks identified. In Contractor's opinion, the continuity of the project implementation was also underpinned by the fact that the key activities of the project were carried out only in cooperation with the Beneficiary's team, i.e. no significant involvement of other stakeholders was necessary, which would otherwise make the implementation more complex and susceptible to the impact of project risks. Furthermore, the Beneficiary's team, as well as other employees of the Intrastat Department, were properly informed in advance of the project's objectives and the importance of its results for the improvement of the work in the Intrastat Department and were therefore highly motivated and dedicated to the cooperation with the Contractor.

The Contractor provided the Contracting Authority with the updated Risk register on a regular basis (every two months) as part of the progress report, which included reassessment of each of the risks listed in the register. The following table lists the timeline of all changes in the Risk register during the project, sorted by date of change.

Date of change of the risk	Risk that was changed (from the initial Risk register)	Description of change
04/08/2022	Risk 5: The available information is incomplete (the processes of the As-Is state are not well documented or some data is missing)	The risk was removed from the Risk register.
04/02/2023	Risk 4: Improper response from the Beneficiary/stakeholders (lack of feedback on deliverables or too late documentation delivery, absence from workshops/meetings, etc.)	Risk probability was changed from "Medium" to "Low".
04/04/.2023	Risk 2: Delayed and significantly changed request of the Beneficiary regarding the project scope	The risk was removed from the Risk register.
04/04/.2023	Risk 3: Unexpected requirements from Eurostat regarding Intra-EU trade data collection which redirect the work of the Beneficiary's team during this project implementation	The risk was removed from the Risk register.
19/04/2023	Risk 7: Lack of proper and timely planning of the staff's duties by the Beneficiary's management resulting in absenteeism during the training sessions to be organized in Deliverable 5	The risk was partly realised.
04/06/.2023	Risk 1: Unavailability of project participants due to COVID-19 pandemic or other force majeure resulting in the postponement of project work	The risk was removed from the Risk register.

04/06/2023	Risk 4: Improper response from the Beneficiary/stakeholders (lack of feedback on deliverables or too late documentation delivery, absence from workshops/meetings, etc.)	The risk was removed from the Risk register.
04/06/2023	Risk 6: Changes in the governance/organisation of the Beneficiary and need for the introduction of the Beneficiary's executives or other staff into work accordingly, or any other continuity problem	The risk was removed from the Risk register.
04/06/2023	Risk 7: Lack of proper and timely planning of the staff's duties by the Beneficiary's management resulting in absenteeism during the training sessions to be organized in Deliverable 5	The risk was removed from the Risk register.

6. KEY PERFORMANCE INDICATORS

The results of project monitoring were presented in regular progress reports prepared and sent by the Contractor to the Contracting Authority, which included the measurement of the given Key Performance Indicators (KPIs).

All KPIs' values were regularly assessed by the Contractor, i.e. they were recorded for each two-month project period. The range of their achieved values is systematised in the following table:

KPI	Value	Range	Rationale / Remarks
Availability of requested documentation	Average value = 4 The indicator was evaluated as maximum (=4) in all two-month periods. The measurement of this indicator was particularly relevant during work on Deliverable 2, when the need for documentation was more pronounced.	1-4	The Contractor timely requested the necessary documentation from the Beneficiary, and the Beneficiary's team delivered it in full and on time. The Beneficiary gave useful additional proposals regarding the research documentation.
Measure of project events attendance	Average value = 3.92 The indicator was evaluated as maximum (=4) throughout the project, except in the 7 th two-month period when it was given the value of 3.5.	1-4	All members of the Beneficiary's team regularly attended the scheduled meetings and workshops. The only exception was the third training workshop which had a partial attendance. The project meeting schedule was designed to be in line with the availability of all invitees.
Measure of Beneficiary's / stakeholders' response	Average value = 4 The indicator was evaluated as maximum throughout the project (=4)	1-4	The response time of the Beneficiary was in line with the agreed deadlines. The Beneficiary provided the Contractor with all the necessary information during the project.
Measure of the alignment of the project implementation with the agreed project schedule	Average value = 3.92 The indicator was evaluated as maximum (=4) throughout the project, except in the 7 th two-month period when the term of the third training session was moved forward and accordingly the finalization of Deliverable 5 was postponed.	1-4	A slight modification of the project timeline had to be done during Deliverable 5 since risk #7 was partly realised. The postponement of Deliverable 5 was natural since it already had a short timeframe, and any realisation of risk could easily have had impact when meeting the deadline. There were no other delays in the project.
Number of risks for project implementation	1 partly realised risk (during the 7 th period) 1 modified risk - change in the risk probability (during the 5 th period) 0 newly recognised risks 7 risks removed (1 risk during the 2 nd period, 2 risks during the 6 th period, 4 risks during the 7 th period)	—	Due to good cooperation of the Beneficiary, the probability of risk #4 decreased. The realisation of risk #7 was related to delay in only one training session. None of the project risks longer existed/could have had any impact on the project after the finalisation of certain deliverables / carrying out of certain activities. For more information, see Chapter 5: <i>Project Risk Management</i> .
Number of supervision meetings	Average number = 0.29	—	At the Steering Committee meetings, the results of the project and the

	Overall, two Steering Committee meetings took place during the project. There was no need for other supervisory meetings. Therefore, the indicator reached only the values 0 or 1.		plans for the next period were presented. There were no critical obstacles for the project implementation that should have been discussed.
Measure of Beneficiary's acceptance of the Contractor's recommendations for improvement in their processes within the project scope	Average value = 4 This indicator was measured, and had the maximum value (=4), in the two-month periods when it was relevant, i.e. during work on Deliverables 3, 4 and 5 containing recommendations for the Beneficiary.	1-4	At the project meetings, the Beneficiary and the Contractor were able to agree on all the details related to the recommendations, and the requests for subsequent changes after submission of deliverables were minor.

The achieved KPIs show that there were **no significant deviations from the project plan**, nor from the communication or coordination plan. Also, as regards the risk management plan, mainly the **reassessment of risks** included in the Risk register was carried out, at the time of progress reporting. The only **risk management measures** that were agreed and undertaken during the project included the modification of the timeline for Deliverable 5 whose deadline was moved forward without causing any significant impact on the project implementation.

7. CONCLUSIONS, LESSONS LEARNED AND FURTHER RECOMMENDATIONS

Intrastat Department had a clear understanding of the challenges it is facing and a strong will and a vision how to address these challenges. This project helped to materialize this vision by designing a “To-Be” state, by delivering Data quality management methodology and by preparing Action plan for the period 2023-2027 with clear steps how to implement the plan and how to deal with the changes.

Lessons learned

This project confirmed that a motivated and prepared Beneficiary enables the Contractor to produce deliverables with higher value. The readiness and preparedness of the Beneficiary proved beneficial in several areas in the project:

- Beneficiary prepared exhaustive list of documentation needed for Inception report and “As-Is” analysis which enabled the Contractor to focus on desk research with a minimum number of targeted workshops with the Beneficiary. This approach saved time for the Beneficiary and enabled the Contractor to focus on the quality of the deliverables;
- Beneficiary was not only quick on accepting new ideas and recommendations but also proposed ideas, shared their vision with the Contractor and was actively participating in shaping deliverables.

Carefully prepared targeted face-to-face workshops proved as valuable tool for the execution of the project. These workshops were usually organized at the beginning of the work on each deliverable and were used to agree on the approach to the tasks within the deliverable before the work on that particular deliverable started. Another workshop was organized once the first draft of the deliverable was prepared by the Contractor. This workshop was focused on discussing and commenting the deliverable and such approach greatly reduced the time for the feedback on the deliverable and enabled the project to adhere to the schedule.

This project was mostly focused on the Intrastat Department within MFCA, however it was addressing challenges of the greater process of Intrastat survey in Croatia which includes other stakeholders: CBS and MFTA. It is recommended that projects like this one are planned in the way to be used as additional channel to communicate with stakeholders, to increase visibility of the project and raise awareness about the project topics. In this project this was achieved by involving participants from the stakeholder institutions in the training session on the change management. These training sessions were used additionally to present the project, expected results, impact and as a tool to increase visibility of the institution and the EU.

Further recommendations

One of the key deliverables of this project was Action plan 2023-2027 so the next steps would be to start implementing the plan.

The Beneficiary already started implementing some of the recommendations related to the operational aspect which does not require external financing. These recommendations are related to the implementation of improvements in their internal business processes as well as preparation of technical specifications for upgrade of IT systems of the Intrastat Department as proposed in Deliverable 3 (“To-Be” state). Implementation of upgrades of IT systems will, however, requires external financing so the immediate next steps should be focused on securing necessary financing for technical and technological upgrades envisaged for Phase 1 of the Action plan (2.5 million EUR).

In parallel, MFCA and CBS should coordinate their efforts for implementation of technical and technological upgrades in Phase 2 of the Action plan. Phase 2 is focused on improvements that deal with changes of the methodology of Intrastat survey (introducing simplified data collection, improvements and harmonization of data quality controls between MFCA and CBS) and requires active participation of all stakeholders to achieve synergy and better results in improving the overall Intrastat system in Croatia.

8. LIST OF ANNEXES

All project deliverables are attached to this final report. Following is the list of deliverables and the files that comprise those deliverables (documents, presentations, attendance sheets, reports etc.).

Deliverable 1: Inception report

- Deliverable_1- Inception_Report-TSI_2022-EN-v3_2-FINAL
- Deliverable_1- Inception_Report-TSI_2022-HR-v3_2-FINAL
- Deliverable_1-Annex_1- Customs – Business Statistics Factsheet – EN-v2_2-FINAL
- Deliverable_1-Annex_1- Customs – Business Statistics Factsheet – HR-v2_2-FINAL
- Deliverable_1-Annex_2- Business Statistics in Croatian Customs Kick-off meeting MoM 28-04-2022-EN-v1
- Invitation letter – Intrastat TSI 2022
- Pozivnica za uvodni sastanak - Intrastat TSI 2022
- Croatian Customs Kick-off meeting presentation v4
- TSI_2022-Meeting_1-14_04_2022-EN
- TSI_2022-Sastanak_1-14_04_2022-HR
- TSI_2022-Meeting_2-02_05_2022-EN
- TSI_2022-Sastanak_2-02_05_2022-HR

Deliverable 2: Analytical report on the current situation regarding the collection, processing and production of intra-EU trade data

- Deliverable_2-Analytical_Report-TSI_2022-EN-v1_0-FINAL
- Deliverable_2-Analytical_Report-TSI_2022-HR-v1_0-FINAL
- Minutes_of_Meeting-26_05_2022-TSI_2022-EN
- Zapisnik-26_05_2022-TSI_2022-HR
- Minutes_of_Meeting-09_06_2022-TSI_2022-EN
- Zapisnik-09_06_2022-TSI_2022-HR
- Minutes_of_Meeting-29_06_2022-TSI_2022-EN
- Zapisnik-29_06_2022-TSI_2022-HR
- Minutes_of_Meeting-25_07_2022-TSI_2022-EN
- Zapisnik-25_07_2022-TSI_2022-HR
- Minutes_of_Meeting-25_08_2022-TSI_2022-EN
- Zapisnik-25_08_2022-TSI_2022-HR
- Minutes_of_Meeting-08_09_2022-TSI_2022-EN
- Zapisnik-08_09_2022-TSI_2022-HR

Deliverable 3: Data quality management methodology and design report

- Deliverable-3-Data Quality Methodology and Design-TSI_2022-EN-v1_2-FINAL
- Deliverable-3-Data Quality Methodology and Design-TSI_2022-HR-v1_2-FINAL

Deliverable 4: Gap analysis and action plan

- Deliverable-4-Gap_analysis_Action_plan-TSI_2022-EN-v1_1-FINAL
- Deliverable-4-Gap_analysis_Action_plan-TSI_2022-HR-v1_1-FINAL

Deliverable 5: Change management plan

- Deliverable_5-Change_Management_Plan-TSI_2022-EN-v1_1-FINAL
- Deliverable_5-Change_Management_Plan-TSI_2022-HR-v1_1-FINAL
- Deliverable_5-Annex_1-Training_report_1-2022-04-19-EN-v1_0
- Deliverable_5-Annex_1-Training_report_1-2022-04-19-HR-v1_0
- Deliverable_5-Annex_2-Training_report_2-2022-04-28-EN-v1_0
- Deliverable_5-Annex_2-Training_report_2-2022-04-28-HR-v1_0
- Deliverable_5-Annex_3-Training_report_3-2022-05-12-EN-v1_0
- Deliverable_5-Annex_3-Training_report_3-2022-05-12-HR-v1_0
- Deliverable_5-Annex_4-Change Management Plan-Training_1-2022_04_19-v1_2-EN
- Deliverable_5-Annex_4-Change Management Plan-Training_1-2022_04_19-v1_2-HR
- Deliverable_5-Annex_5-Change Management Plan-Training_2-2023_04_28-v1_0-EN
- Deliverable_5-Annex_5-Change Management Plan-Training_2-2023_04_28-v1_0-HR
- Deliverable_5-Annex_6-Change Management Plan-Training_3-2023_05_12-v1_0-EN
- Deliverable_5-Annex_6-Change Management Plan-Training_3-2023_05_12-v1_0-HR

Deliverable 6: Final report

- Deliverable_6-Annex_1-Visual_project_summary_fiche-EN-v1_0
- Deliverable_6-Annex_1-Visual_project_summary_fiche-HR-v1_0
- Deliverable_6-Annex_2-Closing_event-2023_06_14-v1_0-EN
- Deliverable_6-Annex_3-Invitation letter closing event
- Deliverable_6-Annex_4-Intrastat_Closing event_final

Project progress reports

- Progress_report_1-TSI_2022-2022_06_04-EN-v1
- Progress_report_2-TSI_2022-2022_08_04-EN-v1
- Progress_report_3-TSI_2022-2022_10_04-EN-v1
- Progress_report_4-TSI_2022-2022_12_04-EN-v1
- Progress_report_5-TSI_2022-2023_02_04-EN-v1
- Progress_report_6-TSI_2022-2023_04_04-EN-v1
- Progress_report_7-TSI_2022-2023_06_04-EN-v1

9. LIST OF PROJECT MEETINGS (INCLUDING WORKSHOPS AND TRAININGS)

Date/time	Place	Purpose of the meeting
14/04/2022	On-line	Introductory meeting
28/04/2022	Čakovec	Kick-off meeting
02/05/2022	Čakovec	Workshop: preparation of Inception report (organization of delivery, communication between teams, delivery of documentation etc.)
26/05/2022 (09:30 – 14:30)	Čakovec	Workshop: As-Is Analysis (Task 2.1) and Elaboration of Interim Recommendations (Task 2.2)
09/06/2022 (9:15-14:15)	Čakovec	Workshop: As-Is Analysis (Task 2.1) and Elaboration of Interim Recommendations (Task 2.2)
29/06/2022 (09:00-14:00)	Čakovec	Workshop: As-Is Analysis (Task 2.1) and Elaboration of Interim Recommendations (Task 2.2)
25/07/2022 (09:00-14:00)	Čakovec	Workshop: As-Is Analysis (Task 2.1) and Elaboration of Interim Recommendations (Task 2.2)
25/08/2022 (09:00-14:00)	Čakovec	Workshop: Identify Intrastat needs and goals (Finalisation of Task 2.3)
08/09/2022 (9:00-13:00)	Čakovec	Workshop: Identify Intrastat needs and goals (Finalisation of Task 2.3)
19/09/2022	Zagreb	First supervisory (steering committee) meeting
28/09/2022	Čakovec	Initial meeting for Deliverable 3: Data quality management methodology and design report
21/11/2022	On-line	Status meeting for Deliverable 3: Review of the draft of Data quality management methodology and design report
09/12/2022	On-line	Deliverable 3. Comments on methodology, proposed structure of the “To-Be” state document
12/01/2023	Čakovec	The workshop. Deliverable 3. Data quality management methodology. “To-Be” state.
22/02/2023	On-line	Second supervisory (steering committee) meeting
24/02/2023 (09:30-14:00)	Čakovec	Meeting and workshop: Deliverable 4 (Gap analysis and action plan) and Deliverable 5 (Change management plan)
24/03/2023 (09:00-13:00)	Čakovec	Meeting and workshop: Deliverable 4 (Gap analysis and action plan) and Deliverable 5 (Change management plan)
19/04/2023	Zagreb	First training session for representatives of stakeholders of the Intrastat System (CBS, MFTA and MFCA)

28/04/2023	Čakovec	Second training session for the staff of the Intrastat Department
12/05/2023	Zagreb	Third training session for representatives of the management of MFCA (heads of sectors, deputy directors and assistant directors of MFCA)
14/06/2023 (11:00-14:00)	Štrigova-Čakovec /On-line	Closing meeting

10. ABBREVIATIONS

AIM	Accelerating Implementation Methodology
CA	Contracting Authority
CBS	Croatian Bureau of Statistics
DG REFORM	Directorate-General for Structural Reform Support
EU	European Union
ICT	Information and Communication Technologies
ISO	International Organization for Standardization
IT	Information Technologies
KPI	Key Performance Indicator
MFCA	Ministry of Finance – Customs Administration
MFTA	Ministry of Finance – Tax Administration
SWOT	Strengths & Weaknesses & Opportunities & Threats
TSI	Technical Support Instrument
VAT	Value Added Tax



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