OUTLINE

- Interim Activities

- 2017 ICP Cycle

- Regional Risk Assessment

- Planned Regional Activities

- Beyond the 2017 ICP Cycle
INTERIM ACTIVITIES
Since the end of the 2011 ICP round, Western Asia has been striving to produce annual PPPs, build member states’ capacities in price statistics and national accounts, and increase the integration between ICP and CPI activities;

The interim activities performed by Western Asia between the 2011 ICP round and the 2017 ICP cycle include:

- Extrapolation of PPPs for 2012-2013
- 2016 regional round for PPP production which will result in the production of PPPs for 2016-2015-2014
- Production of sub-national PPPs
- Production of a harmonized CPI (HCPI)
PROGRESS IN THE 2016 REGIONAL PPP PRODUCTION ROUND

Collection and validation activities for 2016 price data are complete; ✔

Retrapolation/collection activities for 2014-2015 price data are complete; ✔

Several rounds of validation for 2014-2015-2016 price data were performed and final data is being received from participating countries; ✔

National Accounts activities for 2014-2015-2016 are in progress and data is being received from member states;

The results of the 2016 regional round for PPP production are expected to be finalized by March 2018 and published by June 2018.
PERFORMED ACTIVITIES (CONT’D)

I. Regional workshop for the validation of retrapolated HHC and non-HHC data for 2014-2015 (October 2017):
   - Validation of retrapolated data for 2014-2015 (intra and inter-country validation for 2014-2015 data);
   - The challenges encountered in the retrapolation process were discussed and best practices and lessons learned were shared.

II. Regional workshop for the validation of National Accounts data for 2014-2015-2016 (December 2017):
   - Conducting hands-on working sessions to finalize the estimation process of expenditure data for 2014-2015-2016;
PERFORMED ACTIVITIES (CONT’D)

III. National workshop for launching the 2017 ICP activities in UAE (December 2017):
- Launching the 2017 ICP activities in UAE;
- Conducting hands-on training sessions on the ICP modules;
- Discussing the retrapolation methodologies followed by UAE to provide the non-HHC data for 2014-2015-2016.

IV. National workshop for the validation of 2017 price data in UAE (January 2018):
- Intra-country validation sessions for 2017 quarterly and annual data;
- Sub-regional inter-country validation sessions for HHC and non-HHC data (GCC sub-group);

Western Asia exerted all needed efforts to ensure the involvement of UAE in the 2017 cycle.
V. Regional workshop for final validation of 2014-2015-2016 (February 2018):

- A regional workshop was held in February 2018 for the final validation of HHC and non-HHC data for 2014-2015-2016 under the framework of the 2016 regional round for PPP production;
- The workshop included temporal intra-country validation sessions for 2016, 2015 and 2014 data and inter-country validation sessions for 2016, 2015 and 2014 data;
- The enduring challenges were highlighted by member countries and discussed during the meeting;
- The housing volume questionnaire was also presented;
- Member states will review their data according to the notes delivered during the workshop.
2017 ICP CYCLE IN WESTERN ASIA
2017 ICP CYCLE IN WESTERN ASIA

- 13 ESCWA member states are participating in the 2017 ICP cycle within Western Asia;
- 3 of these countries have dual participation in both Western Asia and Africa;
- 2 member states which did not partake in the 2016 regional round are joining the 11 participating countries in the 2017 ICP cycle (Libya and UAE).

Data collection activities for the 2017 ICP cycle in WA are progressing according to the set timetable and we have started to receive data from member countries;

The 2017 ICP cycle will result in the production of PPPs for 2017 and 2018.

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Member states’ participation in the 2017 ICP cycle within Western Asia is divided into two groups:

Countries which have participated in the 2016 regional round:
This group will only perform data collection in 2017 for special surveys and a subset of FET items within the HHC item list in Q2 and Q4, while the rest of the HHC items will be extrapolated from 2016 to 2017 using quarterly CPI data at the most detailed level;

Countries which have not participated in the 2016 regional round:
This group will perform actual data collection for the special surveys as well as the whole HHC regional item list while replacing the FET items with the updated 2017 items.
OPERATIONAL MATERIAL FOR THE 2017 ICP CYCLE

- To ensure comparability with the other regions, WA is using the 2017 global special surveys;

- The regional team worked on the development of the bilingual regional special surveys for rentals, construction, private education and government compensation and survey catalogues for construction and rentals;

- The global Machinery and Equipment survey was provided to the member countries with a catalogue developed by the World Bank;

- As for Household Consumption, WA developed a bilingual FET item list and catalogue.
REGIONAL RISK ASSESSMENT
REGIONAL RISK ASSESSMENT AND MITIGATION MEASURES

- At the regional level, one of the most important challenges relates to the channeling of funds for the implementation of the ICP and the organization of workshops and capacity building activities;

- Although the cost of implementing the program activities has decreased from the 2011 ICP round to the 2017 ICP cycle due to the continuous production of PPPs which contributed to the capacity building of member states, enabling NIAs to benefit from the lessons learned and best practices to improve the work on the program, a need for funding still remains;

- In order to solve this issue and secure funding, the regional office always undertakes efforts to secure funding for the sustainability of the regional activities under the framework of the ICP, mainly from the World Bank.
RISK ASSESSMENT AT THE NATIONAL LEVEL IN WESTERN ASIA COUNTRIES AND MITIGATION MEASURES

At the national level, the potential risks include:

- The instability of the geopolitical situation in many countries in the region: this problem has caused different countries which were interested in partaking in the ICP activities within Western Asia to be unable to participate;

- The possible risk of treating the ICP as an ad-hoc program has been addressed by the regional implementing agency which has been continuously developing initiatives for sustaining the production of PPPs and raising awareness on the importance of the program and its sustainability.
PLANNED REGIONAL ACTIVITIES
PLANNED REGIONAL ACTIVITIES IN THE UPCOMING PERIOD

- Workshop for the computation of preliminary results for 2014-2015-2016 (April 2018);

- Workshop for the computation of HCPI (April 2018);

- Workshop for the validation of sub-national data for Egypt and Sudan (May 2018).

The above workshops are the ICP-related workshops forecasted for the upcoming short-term and will be followed by additional workshops under the framework of the 2017 ICP cycle.
BEYOND THE 2017 ICP CYCLE
BEYOND THE 2017 ICP CYCLE

- The 2017 ICP cycle in Western Asia will result in the production of PPPs for 2017-2018;

- Since the ICP was adopted as a permanent program, global ICP cycles will be implemented regularly;

- To keep up with the global trend, Western Asia’s next ICP round will also take place in 2020;

- The 2020 ICP cycle in Western Asia will consist of actual HHC data collection in 2020 along with extrapolation to 2021 and retrapolation to 2019 and 2018.
BEYOND THE 2017 ICP CYCLE

- Non-HHC data and FET-HHC data will be collected each year;

- Following this methodology, 2018 HHC data will be extrapolated from 2016-2017 and retrapolated from 2020-2019;

- The regional team will work on smoothing the 2018 data to ensure accurate results;
## Beyond the 2017 ICP Cycle

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<thead>
<tr>
<th>Year</th>
<th>HHC</th>
<th>HHC - FET</th>
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BEYOND THE 2017 ICP CYCLE

- By applying this methodology, Western Asia has been getting its countries used to data collection on an annual basis while highlighting the benefits of this practice on the long-term;

- In the 2011 ICP round, countries faced challenges in data collection; but with time, the burden associated with data collection was reduced;

- Member countries have started witnessing the advantage of annual data collection and are benefiting from the resulting effects in terms of improving their price statistics and their relationship with the data suppliers, thus enabling them to acquire the required data on a regular basis and update the previously collected data from their source.
TIMETABLE 2018

<table>
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<tr>
<th>Year</th>
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* This timetable shows the ICP data collection and submission timeline in Western Asia during the 2017-2018 time period. A similar timeline will be followed in 2019.
THANK YOU!