

**6<sup>th</sup> Regional Coordinators' Meeting  
13-22 September 2005  
Washington, D.C.**

**Regional Coordinator's Report  
Asia-Pacific**

**STATUS OF PRICE SURVEYS IN THE REGION**

With the exception of three countries, all participating countries in the region have started their surveys as of January. The tsunami calamity forced the postponement of survey operations from January to March in two countries. One country, on the other hand, started data collection in April. As of July, 22 of the 23 countries have collected prices for the full household consumption basket. Four countries have no or very small rural areas, namely: Brunei; Hong Kong, China; Singapore; and Macao, China. Of the 19 countries with rural areas, 17 countries will report prices with urban/rural dimensions.

ADB Missions to three countries were able to visit price collection centers and enabled them to assess the ICP price collection processes in the field. They also had the opportunity to see the data entry and data compilation activities of ICP. They noted a number of operational problems among which relate to the transfer of data to the central office, the timeliness of the feedback received from the central office, as well as the difficulties to overcome and resources needed if the project were to continue into future years. Another thing noted were the country's efforts to integrate the ICP price surveys with the regular CPI price collections. The Mission took the opportunity to address issues concerning the SPDs and to emphasize that the target price for the ICP is the national annual average price. Also discussed were problems in the use of Tool Pack. The field visit gave the Mission renewed confidence on the quality of price data being collected by the country for ICP purposes.

**DATA REVIEW WORKSHOPS**

**1. Schedule of the workshops**

The success of the ICP project will be ultimately judged by the quality of PPP numbers that will be generated. The attainment of good PPPs is first determined by the quality of data collected. Upon invitation of ECLAC, RC-AP attended the Data Review Workshop (DRW) in Buenos Aires, Argentina on 12-13 May 2005. From the workshop it was observed that holding such meetings with the countries was necessary to achieve good quality and comparable data across the region. In view of this the RAB agreed that the conduct of DRWs should be top priority. Funds must be provided for the conduct of at least two DRWs although three workshops would be ideal. The review workshop aims to identify, address and correct data errors from the country submissions as well as exchange experiences among countries for improving the data quality and thus, ensure parity across the region. The new revisions to products and recommendations for "best practices" will then be applied during the subsequent rounds of data collection to minimize future data errors. Three DRWs for first quarter data were held as

countries submitted their data at varied intervals. The workshops were held according to the following schedules:

Date	Participating Countries	Resource Person
4-8 July	Hong Kong, China; Philippines; Taipei,China;  Viet Nam	Mr. Yonas Biru  Prof. Prasada Rao
8-12 August	Bhutan; Fiji; Indonesia; Macao, China; Malaysia; Maldives; Mongolia; Sri Lanka	Mr. Derek Blades
29 August – 2 Sept	Bangladesh; Cambodia; People’s Republic of China; India; Lao PDR; Nepal; Thailand; Brunei; Iran	

Pakistan and Singapore did not participate in the DRWs as they have not yet submitted data.

## 2. Data Validation

To ensure that all data are validated and reviewed prior to the generation of Quaranta Table, countries were asked to submit their data to the RO at least two weeks before the conduct of the DRW. For purposes of intra-country data validation, the following were the courses of action taken by the RO:

### 3. Formulation of “Price Data Validation Procedure for Countries”

The RO formulated a “Price Data Validation Procedure for Countries” that is generally used for validating and reviewing all the Templates and data submitted by countries. The document, which is consistent with the ICP Handbook, was also provided to countries to further assist them in the conduct of data validation both at the country and regional levels. Among others, the countries are advised to have a minimum of fifteen (15) prices each quarter for each product, where applicable. Country data validation is strongly suggested to be undertaken as soon as possible after the conduct of price surveys so that price verification, if necessary, can be done immediately. National average prices should be reviewed and if necessary these prices can be validated against CPI prices for the same/similar products in the ICP regional product list. As in the ICP handbook, acceptable CV is normally less than or equal to 30%. For CVs > 30%, countries should check the unit level data for the ICP products.

Countries are also strongly advised to price products within the quantity range specified in the product list and that the correct UOM and preferred quantity are followed. For consistency across countries, medium quality products must be priced when the brand is not specified and that outlets must be those frequented by many people.

#### **4. Development of an Automated Country-level Data Validation by the RO**

To facilitate and increase efficiency of intra-country data validation, the RO developed an automated system, which involves the extensive utilization of MS Excel functionalities such as Macros, Auto Filter Function and Visual Basic Programming. The system has two sub-routines. The first is used to automatically generate summary information from the All Purpose Template (Template001 from which the Quaranta Table is generated) while the second is used to process individual raw price data submitted by countries.

Information generated from Template 001, which includes the total number of products priced; list of products with observations/quotations less than fifteen (15); and list of products with CV>30%, are validated against unit level price data to ensure consistency between the template and the unit level data. The unit level price data also identifies specific sources of error such as products with zero values in the observed/converted price; CV's > 30; products with < 15 observations; and min-max price ratios < 0.33. Further checking is done to ensure that products priced are within the specified quantity range in the product catalogue. The results are then communicated to the countries for appropriate action.

#### **5. Feedback Mechanism**

The worksheets resulting from the execution of the validation system and the summary of data concerns are sent to the countries with appropriate recommendation on the courses of action to improve the quality of their data. The countries' attention is particularly called on:

- Products with observations/quotations less than 15
- Zero values in the observed and/or converted prices
- Conversion errors
- Observed quantities outside the quantity range as indicated in the product specification
- Possible outliers as indicated by:
  - Min-Max ratio less than 0.33
  - CVs greater than 30%

An exchange of communication between the RO and the countries ensues until an improved set of price data and explanations for high CVs are sent by the countries. If time is not available for such communication, issues are discussed bilaterally by the respective countries and RO in the DRW.

#### **6. Issues identified during the DRWs**

The following issues were identified during the DRW:

- a. Priced product does not comply with product specifications in the product list.

- b. In cases where no specific brands were mentioned, a mixture of high and low quality products were priced.
- c. Quotations were collected mostly from high end outlets in a few countries.
- d. Different interpretation of product specifications resulting in pricing of non-similar products due to both language problems and vague specifications for some products.
- e. Use of ambiguous terms for “unit of measure” such as “count” which could be interpreted as one piece or one pack containing a number of items. The table below illustrates how count can have various meanings when it is not clearly defined for TP data entry. Countries were, therefore, confused as to what price to input in PCM.

Product name	TP Specs	Product Catalogue Specs	What needs to be priced
Cigarettes international brand	1 count	1 pack	1 pack of cigarettes of 20 sticks
Cigarettes local individual	1 count	1 stick	1 stick
Nails	1 count	100 grams	1 pack of nails weighing 100 grams
House candles	1 count	<i>none</i>	1 candle from a pack of 4 or 6
Mosquito coils	1 count	Coils	1 box of 10 coils or 5 intertwined coils
Alkaline battery	1 count	2 pieces per pack	1 battery from a pack of 2 pieces
Wooden matches	1 count	Box contains 50 matches; wrapped in paper	1 box containing 50 match sticks
Disposable Nappy/Diaper	1 count	24 Nappies in package	1 pack of 24 nappies
Woolen room size rug/carpet	1 count	Not specified	1 rug within the specified size range Note: In TP input the size of the rug in square meters and the observed price for the rug and TP will convert the price corresponding to 1 square meter in size

- f. Mismatch in preferred quantities specified in TP and the product list, giving rise to a divergence in the converted prices recorded by countries using PCM for data entry and those using the Batch Upload Utility (BUU). PCM converted prices would be in terms of 10 kilos for white rice while the BUU converted price for the same product would be for 5 kilos.

Product name	TP Specs	Product Catalogue Specs
White rice # 7	10 kilos	5 kilos
Olive oil	0.1 liter	1.0 liter

- g. Data entry errors
- h. Errors in conversion of prices, e.g. in one country the converted price for some quotations of sesame oil was the equivalent of 1000 milliliters when the converted price should only be the equivalent of 100 milliliters.
- i. Treatment of services provided free of charge, e.g. service fee for ATM withdrawal
- j. Difficulty in formulating product specifications for a standard product as in the case of ladies' handbag; leather wallet and watches.

## 7. Decisions taken to address issues identified during the DRWs

Based on the findings and agreements of the DRWs, the countries were requested to revalidate their observations and make the necessary and appropriate updates.

The workshops also agreed to make revisions on the product list to rectify some of the errors and ambiguities. The table below summarizes the additions/changes/deletions in the product list:

	Number of items
Expanded products	6
Products with changes/modifications in the product specifications	17
Products with clarifications in the product specifications	158
Products without any changes	468
<b>Total number of products in the original product list</b>	<b>651</b>
New products created from 6 expanded products	13
Deleted products	4
<b>Total number of products in the revised product list</b>	<b>660</b>

Reasons for these revisions are as follows:

a) The thirteen new products added were the result of tightening product specifications (as in the example on fiber content below) or splitting of products (Milo, Ovaltine or Horlicks was split into (i) Milo or Ovaltine and (ii) Horlicks).

Example: Additional products, which are created by imposing a narrower band on fiber content of three existing products, were proposed.

Shirt, business men's (50-100% cotton)	} Additional Product
Shirt, business men's (50-80% cotton)	
Shirt, business men's (above 80% cotton)	

b) Four products were dropped from the list for reasons of duplication or ambiguity in product specifications. Example: Pre-paid mobile phone cards – “30 minutes off peak talk time” was deleted and only “120 minutes off peak talk time” was retained

c) Changes or modifications were made on specifications of seventeen products to ensure the pricing of similar products.

Example:

Original Specs	New Specs
Coconut — young (green)	
Processing: Fresh chunks, pieces, sliced	Type: Coconut Young (Green), with husk and shell Processing: None
Moving and freight charge combination	
Weight: Over 1000 kg–5000 kg Type of Freight: Freight by any means Distance: 100–500 km	Weight: 2500 kg Type of Freight: Freight by road, using truck Distance: 300 km Condition of Road: Good

d) Clarifications were made on the specifications of 158 products by:

- i) defining sizes by specifying the number of items per Kg. Example: Mud crab – 3-4 crabs per kg
- ii) providing quantity ranges to serve as guide on the size of products to be priced. Example: Margarine – Quantity range is 200-300 grams
- iii) explicitly stating the number of items to be priced specially for packed products. Example: Toilet tissue (1 pack) – One pack contains 10 rolls of toilet tissue.
- iv) specifying type for fruits and vegetables and for electronics. Example: Mango – ripe, yellow; Portable radio and tape player combination – Walkman
- v) providing reference unit for pricing or tips for the determination of observed quantity in the case of packed products such as eggs and nails

Example:

Product	Quantity	UOM	How to price
Chicken eggs 10 (prepackaged)	1	Pack	One pack contains 10 or 12 eggs. Get the average price for one egg from the pack. For example: if the price of a pack of 12 eggs is \$4.80, then the price of one egg is \$0.40 ( $\$4.80 / 12$ ). Do not change the observed quantity in PCM, just input the price of one egg which is \$0.40.
Chicken egg 1	1	Egg	Price of 1 egg weighing 65 grams. Do not change the observed quantity in PCM, just input the price of one egg.
Chicken eggs 10 (loose)	10	Eggs	Get the price of 10 eggs, then get the average price of one egg. For example: if the price of 10 eggs is \$3.50, then the price of one egg is \$0.35. Do not change the observed quantity in PCM, just input the price of one egg which is \$0.35.

- vi) specifying quality, type and/or brand. Example: Fried chicken meal – Kentucky Fried Chicken brand
  - vii) deletion or rephrasing of specifications that create confusion, e.g. for indoor wall painting the relevant information is the surface area to be painted rather than the size of the room. Example: Indoor wall painting (size of room to be painted is 50 sq m) – changed to surface area of wall to be painted – 50 square meters.
  - viii) clarifying the components of the price to be quoted such as replacement parts, labor, materials and installation charges
  - ix) recommending a methodology for computing electricity and water rates as follows: get the price of the lowest classification (slab) (minimum consumption in some countries) and compute the equivalent per unit price (KWH for electricity or cubic meter for water)
- e) The RO prepared a guide specifically on the units of measure and quantities ranges that the countries will use in price collection and the values for observed quantity and observed UOM that should be entered into TP. This table explicitly states what the countries will price especially where the UOM in the product list is “count”. Example: 1 count for nails means that the countries are supposed to price 1 pack of nails weighing 100 grams.

It was decided that revisions and improvements on the product list and specifications would be implemented in the September 2005 survey round.

The DRW for second quarter data will be held on 28 September to 5 October 2005 for all 23 participating countries. The Government of Malaysia, through its Department of Statistics, will co-host the workshop.

## REGIONAL DATA ANALYSIS - REVIEW OF QUARANTA TABLES FOR SELECTED BASIC HEADINGS (BH) ACROSS CONSUMPTION

### a. On the Selection of Basic Headings

For purposes of this report, five basic headings (BH), whenever applicable, were selected to highlight major findings in the Regional Quaranta Table. These were grouped as follows:

- BH With Consistent Data (What worked)
- BH With Inconsistent Data
- BH With Ambiguous UOM
- BH With Differences Between Tool Pack and Product Catalogue
- BHs With Products Where Formulating Standard PS is Difficult
- BH With Difficulties in Comparing Prices of Medium Quality Products
- BH Where Base Country Has No Data

### b. BHs With Consistent Data (What worked)

Consistency in data was evident for Basic Headings where products are common among countries and specifications are not confusing. Beef and veal; Pork; Fresh milk; Frozen, preserved or processed fruit and fruit-based products; and Beer are some the Basic Headings that exhibited such behavior in data.

**Table 1. BHs With Consistent Data (What worked)**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Products Sampled
1101121	Beef and Veal	7	20	Mince/ground beef; round steak; sirloin steak; beef boneless, buffalo non-specific cut; beef non-specific cut; veal bone in
1101122	Pork	6	20	Pork loin chops; pork spare ribs; pork shoulder; pork thigh bone in; pork loin boneless; pork-non-specific cut
1101141	Fresh milk	4	20	Milk not pasteurised; milk pasteurised; buffalo milk not pasteurised; buffalo milk pasteurised
1101162	Frozen, preserved or processed fruit and fruit-based products	3	20	Roasted peanuts; mixed fruit in syrup; pineapple sliced in syrup
1102131	Beer	4	19	Beer other brand; beer carlsberg; beer Heineken; Beer Tiger

**c. BHs With Inconsistent Data**

Basic Headings under this category are those whose product specifications are loosely specified. Differences in interpretation of product specifications resulted to pricing of non-similar products. Example of which are: Other Bakery Products; Preserved milk and other milk products; Food products n.e.c.; Telephone and telefax services; and Newspapers, books and stationery.

**Table 2. BHs With Inconsistent Data**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1101114	Other bakery products	10	20	Cup cakes; cake boxed; cookies (bag); doughnuts; savoury pie
1101142	Preserved milk and other milk products	9	20	Infant powdered milk tin; powdered milk tin; cream; coffee whitener
1101191	Food products n.e.c.	11	20	Chili sauce; vinegar dark malt; chili powder; turmeric powder
1108311	Telephone and telefax services	10	19	Line Rental Charge; ISD Call from STD/ISD Phone outlet; STD peak Call; Local Call; Modal (not commonly used) tariff ISD call services
1109511	Newspapers, books and stationery	13	19	Books for children; books for adults; university text book (local author); Math textbook (single) Grade 6; Envelopes

**d. BHs With Ambiguous UOM**

The use of ambiguous terms for “unit of measure” resulted in differences in the products priced. This is particularly true for products where the specified UOM is “count”, which was interpreted either as one piece or one pack containing a number of items. Different interpretations in the unit of measure were evident in the following BHs: Eggs and egg-based products; Tobacco; Carpets and other floor coverings; Non-durable household goods; Catering services; and Appliances, articles and products for personal care.

**Table 3. BHs With Ambiguous UOM**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1101144	Eggs and egg-based products	4	20	chicken eggs 10 (prepackaged); chicken egg 1; chicken eggs 10 (loose)
1102211	Tobacco	6	19	cigarettes international brand; cigarettes local brand; cigarettes local (individual);
1105121	Carpets and other floor coverings	4	19	woolen room size rug/carpet; small scatter rug/carpet; plastic mats; linoleum
1105611	Non-durable household goods	13	19	laundry soap; house candles; nails; mosquito coils; toilet tissue; hand sewing needle
1111111	Catering services	19	19	meat cubes on skewer; coke bottle; bottled mineral water
1112121	Appliances, articles and products for personal care	18	19	shampoo; disposable nappy/diaper; sanitary pad

**e. BHs With Differences Between Tool Pack and Product Catalogue**

Mismatch between Tool Pack and product catalogue in terms of preferred quantities and UOMs gave rise to a divergence in the converted prices recorded by countries using PCM for data entry and those using the Batch Upload Utility. Rice; Other edible oils and fats; and Confectionery, chocolate and ice cream are the three basic headings where differences in Tool Pack and Product Catalogue have been observed.

**Table 4. BHs With Differences Between Tool Pack and Product Catalogue**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1101111	Rice	21	20	premium rice #1; premium rice #2; premium rice #4
1101153	Other edible oils and fats	11	20	cooking oil; olive oil; mustard oil unrefined; palm oil; peanut oil; soybean oil
1101183	Confectionery, chocolate and ice cream	5	20	single popsicle magnum

**f. BHs With Products Where Formulating Standard PS is Difficult**

Another problem encountered is the difficulty in formulating product specifications for a standard product. Such cases were noted for the following Basic Headings: Confectionery, chocolate and ice cream; Clothing materials, other articles of clothing and clothing accessories; Catering services; Jewellery, clocks and watches; and Other personal effects.

**Table 5. BHs With Products Where Formulating Standard PS is Difficult**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1101183	Confectionery, chocolate and ice cream	5	20	chocolate bar Nestle plain; candy hard; chewing gum; ice cream Nestle tub; single popsicle magnum
1103111	Clothing materials, other articles of clothing and clothing accessories	5	19	handkerchief men's; belt men's
1111111	Catering services	19	19	tea (from good tea/coffee shop); powdered coffee (from good tea/coffee shop); cut up watermelon; single banana
1112311	Jewellery, clocks and watches	8	19	men's Seiko watch; men's citizen watch; wall clock
1112321	Other personal effects	6	19	men's wallets; women's handbags; Women's umbrella

**g. BHs With Difficulties in Comparing Medium Quality Products**

Even where “medium quality” was specified in the product list, countries had different standards of medium quality.

**Table 6. BH With Difficulties in Comparing Medium Quality Products**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1103121	Garments	55	19	Suit men's; Socks men's; Kurta or pajama set men's; Jogging suit men's; Outerwear women's; Cardigan women's; Sweater or pullover women's; Suit (jacket and pants) women's; Bra Lycra; Jacket children's

#### h. BHs Where Base Country Has No Data

For two basic headings, PPPs were not computed since the base country did not price any product. However, in the succeeding data collection, data for Passenger transport by air will be priced by the base country as a result of the revision in the product specifications.

**Table 7. BHs Where Base Country Has No Data**

Code	Basic Heading	No. of Items Included in the Analysis	No. of countries included in the Analysis	Remarks
1102311	Narcotics	2	19	Base country did not collect price for any of the products under this BH
1107331	Passenger transport by air	4	19	Base country did not collect price for any of the products under this BH

### **TOOLPACK (status of training and data submission in ToolPack format)**

#### 1. ToolPack Training Schedule

ToolPack 1.2 training workshops were conducted on the following dates:

Date	Participants
14-15 April	ICP Asia Pacific Regional Office
18-19 April	NSO, Philippines
20-22 April	Hong Kong, China; Malaysia; Thailand; Sri Lanka; Taipei, China; Vietnam
27 April	MSPI, India
13-15 June	Brunei, Cambodia, Fiji, Indonesia, Lao PDR, Macao, Mongolia
16-18 June	Bhutan, Bangladesh, India, Iran, Maldives, Nepal, Pakistan, Thailand
15-16 July	NSC, Lao PDR
15-17 August	BTEI, Thailand

## 2. Tool Pack Concerns

### a. Reflecting revisions and modifications in the product list/price data

- i) Mismatch in the preferred quantities specified in TP and the product catalogue gives rise to a divergence in the prices recorded by countries using PCM for data entry and those using the Batch Upload Utility Function (BUU). This not only results in a disparity in the converted price levels (due to differences in quantity units used in TP and BUU) but also creates confusion among the countries using PCM as converted prices are different from their expected converted prices.
- ii) The results of the DRW highlighted the need for certain changes in the product list (additional products, additional clarificatory specifications, preferred quantities and UOMs, etc.). While changes can be done by the RO on the Regional PAM and sent to countries, this is a lengthy and tedious process requiring additional staff time. The requirement for these revisions must be reflected in TP immediately so that the agreed means for improving the collection of prices could be implemented in the next survey round. On this aspect there is a need for an easier system of updating. The GO will assist the RO in this task.
- iii) Should a “revised” product list be updated and sent to the countries, this can be uploaded by the countries through the DPM. Countries will then have to make the necessary revisions in the prices collected for the **past** two quarters (first & second quarter 2005 data) using “Maintain Observations” in PAM or through the PCM, to reflect the changes in the prices brought about by revisions in the product list. However, this is difficult and challenging task when there are many price observations to revise considering that two quarters of data have already been collected and inputted. Thus, there is a need for a system in TP to reconcile the data before and after implementation, i.e. a simple procedure by which countries can update data in **past quarters** based on the “revised” product list.

### b. Disabling the editing of Product Specifications

It was noted that some countries changed the “preferred quantity” and/or “preferred UOMs” from the data files sent by the RO. This caused the “non-matching” for prices collected for the affected products and created a lot of conversion errors. The product list data file should contain “protected cells” so that countries cannot change the “preferred quantities” and/or “preferred UOMs”.

### c. Editing price observations in PCM

Price data editing is easier to do in PCM when there are quite a number of revisions. Survey records that have been deleted in PCM are not deleted in PAM even after importing the revised data file into PAM from PCM. Since no warning or notice appears regarding this when importing data from PCM, it is highly possible that countries will commit the error of not deleting the relevant records in PAM.

### d. Deleting observations in PAM

There were several countries that submitted individual observations with “0” converted prices but with corresponding non-“0” observed prices. The RO found out that the country deleted the price in “Diagnostic Reports” rather than in “Maintain Published Observations”, where observations should be deleted. However, countries find it difficult to locate the observations that need to be deleted. The RO suggests revisions to the system such that the possibility of committing this kind of error is omitted.

e. Quaranta tables

The inclusion of the preferred quantity and preferred UOMs in the Quaranta tables for each leaf product would facilitate inter-country data validation.

f. Inclusion of weighted averaging function in DPM

Weighted averaging function should be included (in DPM) for the computation of weighted national average prices at the country level. The weighting function should factor three dimensions: i) weights over time to consider seasonality and quality of data; ii) weights for geographical locations that may be based on economic activity or population; and iii) weights by type of outlet. As countries progress in conducting ICP price surveys, the quality of price data collected by countries is expected to improve over time, or from one quarter to the next. As such, price data from the more recent survey rounds may have to be given more weight than those in the earlier rounds. This is in addition to the seasonality factors for some products. On the other hand, it is also possible that weights may need to be applied at the outlet level or by urban/rural location.

g. Setting independent outlier level limits by price collector

The possibility of defining outlier level limits per price collector instead of the present set-up where only one outlier level limit is set across all price collectors in PAM. Prices will behave differently in various regions of the country e.g. Nepal prices vary according to low urban areas to upper mountainous areas. Therefore, outlier limits in one place or area may be different from other areas. The price collector could utilize this feature to validate the price quotations he/she has recorded for a specific collection region.

h. Support desk mechanism for ToolPack concerns raised by countries

An urgent need for a formalized support desk mechanism which will directly respond to the countries’ concerns was suggested. However, it was clarified in the RAB meeting that the RO should still serve as the clearing house of country queries.

## **STATUS OF WORK ON THE COMPLETION OF THE HOUSEHOLD CONSUMPTION PRODUCT LIST**

### **1. Health**

The product list for Health provided by GO contained 32 pharmaceutical products and 53 other medical products and services divided into 4 basic headings, namely: 11.06.12.1–Other Medical Products; 11.06.21.1–Medical Services; 11.06.22.1–Dental Services; and 11.06.23.1–

Paramedical Services. The Asia Pacific Region has submitted comments to the GO based on agreements reached in a workshop held in the first week of August. Results of the workshop are presented below.

- a) Six pharmaceutical products were identified as unavailable in most countries in the Asia Pacific region, and were proposed to be deleted from the list. These are: Fluphenazine decanoate, Pyrimethamine with sulfadoxine, Zidovudine, Indinavir, Nevirapine, and Artesunate.
- b) In the workshop each pharmaceutical item was discussed on the basis of key characteristics important for price collection, namely: generic name; other common names; dose; form; medicine category; size and quantity; and purpose. The “size of quantity” was reduced from 100 tablets to 10 tablets, as purchase of 100 tablets was not common in many countries. However, for products that specify 30 tablets it would indicate that the dose prescribed is a “set course” of treatment and there would be no changes.
- c) On Paramedical Services (11.06.23.1), “Assistant nurse home visit I” and “Assistant nurse home visit II” are not common in the region and the body agreed to delete them from the list. Furthermore, it was deemed necessary to specify whether “Paramedical Services” was rendered by the private or public health sector, as it would grossly affect the comparability of the prices collected.

## **2. Education**

As clarified by the GO, product specifications (PSs) for Education Services (ICP Code 11.10) need to be formulated only for private education. Reference PPPs will be utilized for public education. Seven PSs for private education were developed from the SPDs as follows: (i) pre-primary and primary education; (ii) secondary education; (iii) tertiary education (computer science); (iv) tertiary education (excluding first degree in computer science); (v) foreign language course or lessons; (vi) private lessons in mathematics (outside school hours); and (vii) music course or lessons.

## **STATUS OF GDP WEIGHTS ESTIMATION**

The Asia Pacific RO reported in the Fifth Regional Coordinators’ Meeting that almost all participating countries showed the capacity for providing the required weights for the 155 BHs for the full GDP comparison. However, one country opted to participate only in the household consumption comparison. Nineteen countries have submitted preliminary GDP weights with varying reference periods from 2002 to 2004.

## **ESTIMATION AND EXTRAPOLATION CONCERNS**

The RO would like to be clarified if the GO or the TAG has specific recommendations on the following situations regarding estimation and extrapolation procedures both for prices and GDP weights.

- a) Three countries did not conduct first quarter surveys. The RO would like to be enlightened on how to estimate the annual average prices for these countries.
- b) Price surveys for the construction and equipment sectors will most likely be conducted in 2006. How can prices be adjusted to reflect 2005 price levels?
- c) The reference year for the current ICP round is 2005. It is expected that some countries may be unable to provide 2005 GDP weights according to schedule. How can GDP weights be extrapolated to 2005 levels?

## **RING LIST WORKSHOP**

The workshop was convened to solicit comments from the participating countries on the preliminary ring list consolidated by the GO. The preliminary ring list is composed of 866 shop items and 380 non-shop items. Four countries participating in the Ring Comparison (Hong Kong, China; Malaysia; Philippines and Sri Lanka) attended the workshop with Mr. Yonas Biru, Deputy Global Manager of the ICP Global Office, conducting the workshop.

The workshop discussed comments from the ring list countries on the product specifications and representativity status (Representative, Available, or Not available) of the products in their respective countries. A total of 289 items were deleted; (172 shop items and 117 non-shop items) while a total of 387 items were revised; (331 shop items and 56 non-shop items). The distribution is as follows:

<b>Total Number of Revised/Deleted Items from the Ring List</b>							
Shop Items				Non-Shop Items			
	GO List	Revised	Deleted		GO List	Revised	Deleted
Clothing	127	41	24	Catering	77	5	17
Food	407	164	95	Communication	38	5	6
Footwear	28	6	1	Dwelling	66	14	37
Furniture	175	64	34	Other goods & services	74	4	1
Recreation	131	56	18	Services for routine HH maintenance	6	1	4
				Transportation	149	27	52
Total	868	331	172	Total	410	56	117

## **REGIONAL ADVISORY BOARD MEETING**

The Regional Advisory Board (RAB) of the Asia-Pacific ICP held its fourth meeting on 23-24 May 2005. The meeting discussed the following:

- ICP Global Updates
- Status Report of the Regional Coordinator
- Finalization of the Non-Household Groups
- Country Review Strategy
- Toolpack 1.2
- Ring Comparison Program
- Poverty PPPs
- Advocacy Campaign

The major agreements of the meeting are as follows:

1. In view of the fundamental importance of achieving the highest possible quality of basic data collected, it was agreed that the conduct of Data Review Workshops (DRWs) is top priority and a minimum of two such workshops will be conducted. To facilitate data review and validation of individual price quotations the ToolPack (TP) needs to allow the download of a filtered set of data into Excel. In response to this request the functionality was incorporated into TP and was first introduced to the Regional Office (RO) and the countries during the TP training held in June 2005.
2. On Construction and Equipment, it was the general feeling of the RAB that the product specifications are highly technical and that the national statistics offices (NSOs) do not have the technical capacity to comment and collect data required for all 34 components. The RO was advised to get feedback on the capacity of NSOs to collect prices. Based on the results of the workshop held to finalize the product list for non-household consumption items held in August, the RO is presently working out hiring of international and domestic consultants to assist the countries in the collection of prices on construction components and machinery and equipment items.
3. In allocating funds the DRWs will have priority over Construction and Equipment.
4. The RAB acknowledged that it is the countries that are making the greatest contribution to the ICP, and therefore they should be having a major decision on questions of data access. Consequently, it was agreed to honor the confidentiality policy of the countries. Thus, the level of country data to be released to the public will be determined by the country.

## **ADVOCACY ACTIVITIES**

The UN Statistical Institute for Asia and the Pacific (UNSIAP) will hold the First Regional Course on Price Statistics and Introduction to ICP in Maldives on 26-30 September 2005 to which the ICP Asia Pacific RO has been invited as resource person on ICP. This is a good opportunity to explain ICP concepts and uses of PPPs to the price statisticians.

ICP brochures prepared by the GO were distributed to participating countries. The national coordinators found the materials to be very helpful in making price collection

supervisors, price collectors and others involved with ICP appreciate the purpose of the undertaking and the uses of PPP data.

## **FINALIZATION OF THE NON-HOUSEHOLD CONSUMPTION PRODUCT LIST**

### **1. Government Occupation**

A questionnaire was first sent out to identify which of the 50 occupations are available in the countries. From the responses the countries were then divided into three groups, and each group was assigned ten occupations to collect compensation data on (Annex1). The main lesson from this trial questionnaire is that a better understanding is needed regarding the allowances to be included in compensation of employees. The questionnaire has been revised (Annexes 2-a and 2-b) to show allowances as separate entries in the questionnaire and clarification has been added in the explanatory notes.

### **2. Housing**

Two approaches are being considered for the estimation of PPPs in Housing: the Quantity Approach and the Modified SPD Approach. To identify which approach each country will use, the countries were requested to complete two questionnaires, namely: (1) Part I - Background Information on the Market for Dwellings (Annex 3); and (2) Part II - Information Needed to Apply the Quantity Approach (Annex 4-a). Eighteen countries responded to the questionnaire.

#### **Quantity Approach**

Part II of the questionnaire was revised based on discussions during the workshop (Annex 4-b). The countries were told that information must relate to 2005. Available data for earlier years should be updated to 2005 using the latest information from household surveys, housing surveys, living standards measurement surveys or, if none of these sources are available, using the population growth rates. The essential items of information are:

- i) Total floor space of all modern dwellings, or if not available
- ii) Total number of rooms in all modern dwellings, or if not available
- iii) Total number of modern dwellings
- iv) Number of modern dwellings with electricity
- v) Number of modern dwellings with inside water supply
- vi) Number of modern dwellings with private toilet
- vii) Number of traditional dwellings

For *modern dwellings*, air-conditioning and central heating have been dropped as quality indicators and only totals for flats plus houses are required. For *traditional dwellings* no quality indicators are needed and only the total number of dwellings is required.

#### **Modified SPD Approach**

Only two countries meet the criteria for this approach and they need to agree on the definition (in m<sup>2</sup>) of small, medium and large floor spaces. They will then provide data on flats or apartments and on houses or villas for each category of floor space. The average rents for June or July or the averages of the second and third quarters can be used as rents for 2005.

Rents exclude payments for electricity, gas, water and other utilities. No distinction will be made between rents of furnished or unfurnished dwellings.

### **3. Construction**

Only a few of the thirty-four components in construction can be priced by the NSOs without support from subject specialists. Some of the products that can be priced by NSOs are: plywood; portland cement; reinforcing steel; structural steel; sand; etc.

However, the NSOs are not in a position to price the other components without expert assistance. Thus, the RO is proposing to engage domestic consultants to be contracted by the countries to collect prices for the more difficult construction components, in collaboration with the ICP national coordinators. An international consultant will be engaged to provide overall direction to the domestic consultants who will assist the NSOs in price data collection in construction using the BOCC approach to ensure the collection of comparable price data across the countries. Prior to actual price data collection, the international consultant will conduct a training for the domestic consultants to ensure that the methodology for pricing construction components are clearly understood and will be uniformly implemented in the countries, thus ensuring the pricing of same/similar construction outputs. Prices collected by the countries will be validated in a Data Review Workshop to be conducted by ADB.

In the pricing of construction components there are two points that need to be emphasized:

- Labor costs must be calculated as *compensation of employees* as defined in the SNA, i.e. wages and salaries plus employers' contributions to social security funds. They must be recorded before deductions in respect of income taxes, employees' contributions to social security funds and union dues.
- Materials and components must be valued at purchasers' prices, i.e. including trade and transport margins and all non-deductible product taxes.

Clarification is sought on how component prices are to be weighted up to the Basic Heading level. Will these weights be supplied by GO or is the RO expected to estimate them? If the latter, how will we do it?

### **4. Machinery and Equipment Goods**

The Global Office will help ADB to develop regional PSs, with emphasis that the PSs should be used as illustrative samples only. The total number of PSs that can be drawn from the current list of 185 is around 60 to 80 items. The revised list that will contain more specific PSs for the 60 to 80 SPDS would be sent to ADB. ADB has hired an international consultant/

regional expert to go through the global PS/SPD list, with the objective of (a) identifying products that are relevant for the Asia and Pacific region, and (b) enhancing product specifications and/or developing more detailed specifications where needed using models and makes that are widely available in the region. This can be done using regional websites or by consulting regional distributors and dealers. The global office should send more detailed guidelines to ADB.

The NSOs will identify and hire domestic experts who will assist them in the price collection of equipment goods. Prior to actual price collection these domestic experts will be trained by the international consultant through a workshop to be organized by the RO.

For each equipment item in the short list each country will be asked to price a maximum of 3 models subject to the judgment of the domestic expert and availability of models in the participating country. Furthermore, the provision for collection of second hand equipment is required for a few countries where sale of second hand equipment is prevalent.

## **POVERTY PPP WORK**

Seventeen countries are participating in Poverty PPPs as follows: Bangladesh, Bhutan, PRC, Cambodia, Fiji, India, Indonesia, Lao PDR, Malaysia, Maldives, Mongolia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Viet Nam. The product coverage is limited to consumption commodity items.

As recommended by the Poverty Advisory Group, the Regional Office will compute Poverty PPPs using national average prices supplied by the countries along with an appropriate set of expenditure share weights based on the consumption of the poor or the lowest quintile.

In addition, the RO is making effort to undertake exercises designed to examine the sensitivity of the results to various other approaches. The data compiled in this ICP round could form the basis for improved poverty-specific PPPs in the future.

For the alternative method of compiling poverty-specific purchasing power parities (PPPs) work began in 2004 and activities are progressing in tandem with the work on the mainstream ICP.

As per the proposed methodology the basic price data for the poverty-PPPs and the ICP are the same, but various attributes associated with the price quotations are crucial for the compilation of poverty PPPs.

*Product attributes:* Countries will be asked to identify the poverty attribute of each product, i.e. each product was classified as being: (i) strongly relevant for the poor; (ii) relevant; (iii) not relevant but available; and (iv) not available in a given country.

*Outlet and regional attributes:* The ICP price surveys explicitly identify the outlet from which the prices are collected. Different types of outlets will then be ranked according to their importance in the purchase behavior of the poor. For example, low-income households may more commonly use general markets than the supermarkets. This information along with additional information as to whether a price quotation is from a rural or an urban region would be taken into account when national average prices for poverty-PPP work are computed. The

question is essentially one of using proper weights in compiling national average prices which are more appropriate for poverty-PPP compilation.

*Aggregation methodology:* The weights to be used for the construction of the national average prices will take into consideration urbanity of the region and the type of outlet to reflect the purchasing practices of the poor.

Methodology for estimating BH PPPs will depend on the price data available. If individual price quotations come with regional and outlet attributes then the BH PPPs will be computed using attribute weights coming from the countries. If poverty-specific national average prices are available, the BH PPPs will be compiled using a modified country product dummy (CPD) approach similar to that described in Chapter 10 of the ICP Handbook on the Estimation of PPPs for Basic Headings.

The compilation of appropriate weights for aggregation is a crucial step here, as these weights must reflect the expenditure patterns of the poor. First, there is a need to establish in each country the correspondence between the ICP BHs and the major expenditure categories in the household expenditure surveys (HES) of countries. The next step is to come up with expenditure shares, for various commodity groups, that accurately reflect the consumption patterns of the poor. Identifying the expenditure patterns of the poor could be done by the use of the \$1 a day estimates of each country or through the use of country-specific poverty lines. Another way is to use an iterative method that would sequentially arrive at the expenditure patterns of the poor. For countries where recent HES data are not available there is a need to extrapolate the expenditure weights using a suitable statistical methodology.

The aggregation of basic heading PPPs will be based on the EKS, Geary-Khamis and the weighted CPD methods that are commonly used. Then a sensitivity analysis of the estimated PPPs with regard to the choice of price measures and weights is proposed.

## **FUNDING**

Significant funding is required for the Data Review Workshops; and engagement of consultants; preparation of the product list for equipment and machinery; and conduct of price surveys for Construction; and Machinery and Equipment. The GO provided funds which were utilized for holding workshops on: Ring List; Data Review Workshops; and Finalization of Non-household items. This is in addition to the funds from the GO for the purchase of computers for countries and the server for the RO. The RO has requested further GO funding on the work related to the construction and equipment sectors.

## Annex 1

### Occupations Assigned by Country Group

<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>	<b>Unassigned</b>
Doctor (10 years of seniority)	Doctor, Head of Department	Doctor, (20 years of seniority)	Nurse, Head of Department
Nurse, operating theatre	Nursing auxiliary	Nurse	Physiotherapist
Hospital Chief Executive	Laboratory assistant	Finance department manager	Secretary (hospital)
Executive Official (skill level III)	Executive official (skill level IV)	Computer operator	Cook (not Head Cook)
Data entry clerk	Secretary (not hospital)	Maintenance electrician	Bookkeeping Clerk
Building Caretaker	Messenger	Policeman/woman	Telephone switchboard operator
Fire fighter	Town planner	Construction labourer	Cleaner
Civil engineer	Chauffeur	Agricultural Scientist	Prison Guard
University lecturer	Librarian	Secondary teacher	Social worker
Community Health Worker	Primary Teacher	Bodyguard (protecting senior officials)	Draughtsman/draughtswomen
			Kindergarten teacher
			Primary teacher
			Head teacher
			Army: Private of Infantry
			Army: Commander of Infantry Regiment
			Navy: Able Seaman
			Navy: Commander of Frigate
			Air Force: Airman (ground crew)
			Air Force: Fighter Pilot/Wing Commander
			Data-base Administrator
			Web Administrator

**Questionnaire on Compensation of Employees in Government**  
**(Country \_\_\_\_\_)**  
 (Revised Version)

The information from this questionnaire is used to calculate Purchasing Power Parities for *Government Final Consumption Expenditure*. In a separate attachment you will find descriptions of fifty occupations for which you are requested to provide the following information on compensation of employees and the numbers of hours and days worked by employees in these occupations.

*The information provided must refer to 2005*

<b>Questionnaire on Compensation of Employees in Government</b>	
Occupation code number	
Occupation description	
<i>All components of compensation of employees should be ANNUAL</i>	
Annual salary taken from government salary scale	
<i>Plus</i> Allowances:	
1) _____	
2) _____	
3) _____	
<i>plus</i> Employers' actual social contributions	
<i>plus</i> Employers' imputed social contributions	
<i>plus</i> Income in kind: housing	
<i>plus</i> Income in kind: food and meals	
<i>equals</i> Annual compensation of employees	
Number of regular hours actually worked per week	
Number of days worked per week	
Number of days of annual leave per year	
Number of days of public holidays	
Year for which data are reported	200--
Currency unit	

### *Explanatory notes*

**Occupation code number and occupation description** are taken from the list of ten *Government Occupations for ICP*.

**Salary taken from the government salary** are to be reported before deduction of taxes and social contributions payable by employees. The Box below explains how salary scales are used to obtain basic salaries.

**Allowances** consist only of allowances that are paid to all government employees (or to all persons in a particular occupation) regardless of their personal circumstances. These allowances may be either fixed amounts or a fixed percentage of the basic salary.

- Include:
  - annual bonuses paid to all employees;
  - 13 month payment;
  - “critical” allowances paid to particular occupational groups such as doctors, nurses, police, fire-fighters to compensate for the fact that they are on call after working hours;
  - cost of living allowances;
  - passage or leave allowance if these are fixed amounts regardless of the place of origin of the employee;
  - medical allowances if they are paid to employees regardless of medical costs actually incurred;
  - housing or residence allowance if they are a fixed amount or fixed percentage of basic salary.
- Exclude:
  - overtime payments;
  - family allowances;
  - head of household allowance;
  - allowances for children’s education;
  - special duty allowance;
  - acting allowance;
  - language allowances;
  - “hardship” allowances paid to employees working in remote or inhospitable areas;
  - “field allowances” or “active service” allowances paid to members of the armed forces serving abroad or engaged in hostilities.

**Employers' actual social contributions** are payments made by general government for the benefit of their employees and cover contributions for old age pensions, and for insurance against sickness, accident and disability.

**Employers' imputed social contributions** represent the counterpart to social benefits paid directly by general government institutions without participating in, or establishing a fund, reserve or other special scheme for this purpose. Since these contributions do not involve actual cash flows, they have to be imputed. The imputations have to be done in line with the corresponding imputations made in the national account.

**Income in kind: housing** is the cost to the employer of providing free or subsidized housing to employees.

**Income in kind: food and meals** is the cost to the employer of providing free or subsidized food or meals to employees.

**Number of regular hours actually worked per week.**

- The number of **regular** hours excludes overtime.
- The number of hours **worked** excludes time allowed for lunch or prayer breaks.
- In some countries government employees are paid such low wages that they are allowed to work less hours than are stipulated in their contracts in order that they can earn extra money in a second job. In such cases, you should record the usual number of hours **actually** worked.

**Number of days of annual leave per year** refers to paid leave. It excludes Saturdays and Sundays and days that may be allowed for paid sick leave, maternity leave, compassionate leave, or public holidays.

**Number of public holidays per year** refers to the number of public holidays such as bank holidays, religious festival days, independence days, and any other regular holidays that are declared to commemorate special events. Report the number of public holidays that fell on working days during 2005.

**Questionnaire on Compensation of Employees in Government**  
**(Country \_\_\_\_\_)**

(Original Version)

The information from this questionnaire is used to calculate Purchasing Power Parities for *Government Final Consumption Expenditure*. In a separate attachment you will find descriptions of ten occupations for which you are requested to provide the following information on compensation of employees and the numbers of hours and days worked by employees in these occupations.

<b>Questionnaire on Compensation of Employees in Government</b>	
Occupation code number	
Occupation description	
Gross wages and salaries in cash	
<i>plus</i> Employers' actual social contributions	
<i>plus</i> Employers' imputed social contributions	
<i>plus</i> Income in kind: housing	
<i>plus</i> Income in kind: food and meals	
<i>equals</i> Annual compensation of employees	
Number of regular hours actually worked per week	
Number of days of annual leave per year	
Number of public holidays per year	
Year for which data are reported	
Currency unit	

### ***Explanatory notes***

This questionnaire refer to employees of **central government** and should be **national averages** of compensation of employees for the persons in each occupation who are paid from the central government budget in the capital city and in other cities or rural areas. In some countries certain types of employees – e.g. teachers or the police – may be paid only from state or local government budgets; in this case you should provide compensation of employees for persons employed from these budgets.

**Occupation code number and occupation description** are taken from the list of ten *Government Occupations for ICP*.

**Gross salaries and wages in cash** are to be reported before deduction of taxes and social contributions payable by employees. They consist of two components:

- Basic salaries as laid down in the **salary scale**. The Box below explains how salary scales are used to obtain basic salaries.
- Other payments, over and above the basic salary, such as: housing or residence allowance, passage or leave allowance, family allowance, special duty allowance or acting allowance, 13th month pay and other cash payments, but not overtime payments. These payments over and above the basic salary are usually a fixed percentage of the basic salary.

**Employers' actual social contributions** are payments made by general government for the benefit of their employees and cover contributions for old age pensions, and for insurance against sickness, accident and disability.

**Imputed social contributions** represent the counterpart to social benefits paid directly by general government institutions without participating in, or establishing a fund, reserve or other special scheme for this purpose. Since these contributions do not involve actual cash flows, they have to be imputed. The imputations have to be done in line with the corresponding imputations made in the national account.

**Income in kind: housing** is the cost to the employer of providing free or subsidised housing to employees.

**Income in kind: food and meals** is the cost to the employer of providing free or subsidised food or meals to employees.

**Number of regular hours actually worked per week.**

- The number of **regular** hours excludes overtime.
- The number of hours **worked** excludes time allowed for lunch or prayer breaks.
- In some countries government employees are paid such low wages that they are allowed to work less hours than are stipulated in their contracts in order that they can earn extra money in a second job. In such cases, please record the usual number of hours **actually** worked.

**Number of days of annual leave per year** refers to paid leave. It excludes days that may be allowed for paid sick leave, maternity leave, compassionate leave, or public holidays.

**Number of public holidays per year** refers to the number of public holidays such as bank holidays, religious festival days, independence days, and any other regular holidays that are declared to commemorate special events.

**Questionnaire on Dwellings**

Country: \_\_\_\_\_

**This questionnaire is to be completed by all countries participating in the ICP2004.**

The questionnaire is in two parts: (We are requesting you to fill-up Part 1 only)

- Part 1 collects background information on the housing market in your country. This information is needed to determine how PPPs for dwelling services can best be calculated for your country.

*Some countries may not be able to answer all the questions but you should answer as many as possible and explain in the **Comments** section at the end of the questionnaire why you could not complete all the questions.*

**Part 1 Background information on the market for dwellings**

Tick the box that applies:				
What percentage of modern dwellings is rented?	less than 25%	<input type="checkbox"/>	25% or more	<input type="checkbox"/>
What percentage of rented modern dwellings is occupied by foreigners?	less than 50%	<input type="checkbox"/>	50% or more	<input type="checkbox"/>
Are modern dwellings available for rent in all or most parts of the country?	yes	<input type="checkbox"/>	no	<input type="checkbox"/>
Do more than 5% of the population live in traditional dwellings?	yes	<input type="checkbox"/>	no	<input type="checkbox"/>
Are traditional dwellings rented?	never			<input type="checkbox"/>
	only rarely			<input type="checkbox"/>
	quite often			<input type="checkbox"/>
Year to which the above data refer ( 2004 or closest possible) :				

### **Explanatory notes**

**Modern dwellings** are generally built by professional building enterprises. The walls are made of durable materials such as concrete, ceramic brick, cement blocks, plywood or wooden planking, and the roofs are covered in tiles, wooden shingles or metal sheeting. Modern dwellings usually have facilities such as electricity, piped water and inside toilets. Most dwellings in urban areas will be classified as modern.

**Traditional dwellings** are generally built by family members. The walls are made of less durable materials such as dried clay, sun dried bricks, bamboo or latticework and the roofs are made from reeds, straw or palm fronds. Traditional dwellings do not usually have facilities such as electricity, piped water and inside toilet. Traditional dwellings are generally located in rural areas and the families that occupy them are most likely to be engaged in agriculture.

Dwellings in low-cost areas near to large cities, such as shanty town or favelas, have characteristics of both modern and traditional dwellings. In general, however, they are more like modern than traditional dwellings because they are usually constructed of durable materials and will have one or more facilities such as piped water, electricity or inside toilet. Dwellings in such areas should be classified as modern for the purposes of this questionnaire.

In many countries all dwellings are modern or less than 5% of the population live in traditional dwellings. These countries need only provide information in respect of modern dwellings.

## Questionnaire on Dwellings (Country \_\_\_\_\_)

(Original Version)

The information requested in this questionnaire is to be used to calculate Purchasing Power Parities for *Rents of Dwellings* using the Quantity Approach. All countries participating in the ICP are required to supply this information.

*Some countries may not be able to answer all the questions but you should answer as many as possible and explain in the **Comments** section at the end of the questionnaire why you could not complete all the questions.*

### Information needed to apply the Quantity Approach

	Modern dwellings			Traditional Dwellings
	Houses or villas	Flats or apartments	All dwellings	
<b><i>Quantity Indicators</i></b>				
Number of dwellings ( <i>thousands</i> )				
Number of rooms ( <i>thousands</i> )				
Useable floor space ( <i>thousand square metres</i> ) (Specify here if a measure other than square metres has been used _____)				
<b><i>Quality indicators</i></b>				
Number of dwellings with: ( <i>thousands</i> )				
Electricity				
Inside water				
Inside toilet				
Air-conditioning				
Central heating				
Total number of dwellings				
<b><i>Year to which data refer</i></b> (2004 or closest possible) : _____				

### Explanatory notes

**Modern dwellings** are generally built by professional building enterprises. The walls are made of durable materials such as concrete, ceramic brick, cement blocks, plywood or wooden planking, and the roofs are covered in tiles, wooden shingles or metal sheeting. Modern dwellings usually have facilities such as electricity, piped water and inside toilets. Most dwellings in urban areas will be classified as modern.

**Traditional dwellings** are generally built by family members. The walls are made of less durable materials such as dried clay, sun dried bricks, bamboo or latticework and the roofs are made from reeds, straw or palm fronds. Traditional dwellings do not usually have facilities such as electricity, piped water and inside toilet. Traditional dwellings are generally located in rural areas and the families that occupy them are most likely to be engaged in agriculture.

Dwellings in low-cost areas near to large cities, such as shanty town or favelas, have characteristics of both modern and traditional dwellings. In general, however, they are more like modern than traditional dwellings because they are usually constructed of durable materials and will have one or more facilities such as piped water, electricity or inside toilet. Dwellings in such areas should be classified as modern for the purposes of this questionnaire.

In many countries all dwellings are modern or less than 5% of the population live in traditional dwellings. These countries need only provide information in respect of modern dwellings.

**Houses or villas** include detached houses, houses joined to one or more other houses, terraced houses, town houses etc. What distinguishes a house or villa from a flat or apartment is that the owner of a house or villa is responsible for maintaining and repairing the roof and exterior walls.

**Flats or apartments** are usually in multi-story buildings and responsibility for maintaining roofs and exterior walls is shared among the owners of the flats or apartments.

**Rooms** include bedrooms, sitting rooms, dining rooms, study rooms, play rooms etc. but exclude kitchens, halls, utility rooms, shower rooms, bathrooms and toilets.

**Useable surface** is the floor area of living rooms, kitchens, utility rooms, shower rooms, bathrooms, toilets and halls, *minus* the wall thickness and door and window recesses. Stairs, open balconies and terraces, cellars and lofts (when not equipped as useable premises) are not included. In the case of attics, only the section with a ceiling height of at least 1.7 metres is included. In practice, few countries have housing statistics that use this exact definition but near approximations can be accepted.

You are requested to provide information on useable surface area of dwellings in square meters. You may also report in square feet or other measure but, if so, please specify the units on the questionnaire.

**Electricity** will usually be *main electricity* supplied by a generating company. But electricity may also be generated by the household itself from a diesel generator or wind power.

**Inside water** is running water that is piped into the dwelling itself. A dwelling that takes water from a communal standpipe or well should not be counted as a dwelling with inside water.

**Inside toilets** may be either water-flushing WC-type or chemical toilets. They must be located within the exterior walls of the dwelling.

**Air-conditioning** may be provided to all or most parts of the dwelling through a central air-conditioning device or it may be provided to only one or two main rooms through a single stand-alone unit.

**Central heating** may be provided by any fuel source but the heat must be provided to all or most of the rooms in the dwelling from a single water-boiler, furnace, air-heater, solar panel or other heating device. Central heating may also be provided by a central heating plant that is situated some distance from the dwelling and is brought to the dwelling through insulated pipes.

**Questionnaire on Dwellings (Country \_\_\_\_\_)**  
(Revised Version)

The information requested in this questionnaire is to be used to calculate Purchasing Power Parities for *Rents of Dwellings* using the Quantity Approach. All countries participating in the ICP are required to supply this information.

***Data must refer to the year 2005.***

**Information needed to apply the Quantity Approach**

	Modern dwellings			Traditional Dwellings
	Houses or villas	Flats or apartments	All dwellings	
<b><i>Quantity Indicators</i></b>				
Number of dwellings ( <i>thousands</i> )				
Number of rooms ( <i>thousands</i> )				
Useable floor space ( <i>thousand square metres</i> )				
<b><i>Quality indicators</i></b>				
Number of dwellings with: ( <i>thousands</i> )				
Electricity				
Inside water				
Private toilet (i.e. used only by occupants of the dwelling)				

### Explanatory notes

**Modern dwellings** are generally built by professional building enterprises. The walls are made of durable materials such as concrete, ceramic brick, cement blocks, plywood or wooden planking, and the roofs are covered in tiles, wooden shingles or metal sheeting. Modern dwellings usually have facilities such as electricity, piped water and inside toilets. Most dwellings in urban areas will be classified as modern.

**Traditional dwellings** are generally built by family members. The walls are made of less durable materials such as dried clay, sun dried bricks, bamboo or latticework and the roofs are made from reeds, straw or palm fronds. Traditional dwellings do not usually have facilities such as electricity, piped water and inside toilet. Traditional dwellings are generally located in rural areas and the families that occupy them are most likely to be engaged in agriculture.

Dwellings in low-cost areas near to large cities, such as shanty town or favelas, have characteristics of both modern and traditional dwellings. In general, however, they are more like modern than traditional dwellings because they are usually constructed of durable materials and will have one or more facilities such as piped water, electricity or inside toilet. Dwellings in such areas should be classified as modern for the purposes of this questionnaire.

In many countries all dwellings are modern or less than 5% of the population live in traditional dwellings. These countries need only provide information in respect of modern dwellings.

**Houses or villas** include detached houses, houses joined to one or more other houses, terraced houses, town houses etc. What distinguishes a house or villa from a flat or apartment is that the owner of a house or villa is responsible for maintaining and repairing the roof and exterior walls.

**Flats or apartments** are usually in multi-story buildings and responsibility for maintaining roofs and exterior walls is shared among the owners of the flats or apartments.

**Rooms** include bed-rooms, sitting rooms, dining rooms, study rooms, play rooms etc. but exclude kitchens, halls, utility rooms, shower rooms, bathrooms and toilets.

**Useable surface** is the floor area of living rooms, kitchens, utility rooms, shower rooms, bathrooms, toilets and halls, *minus* the wall thickness and door and window recesses. Stairs, open balconies and terraces, cellars and lofts (when not equipped as useable premises) are not included. In the case of attics, only the section with a ceiling height of at least 1.7 metres is included. In practice, few countries have housing statistics that use this exact definition but near approximations can be accepted.

You are requested to provide information on useable surface area of dwellings in square meters. You may also report in square feet or other measure but, if so, please specify the units on the questionnaire.

**Electricity** will usually be *mains electricity* supplied by a generating company. But electricity may also be generated by the household itself from a diesel generator or wind power.

**Inside water** is running water that is piped into the dwelling itself. A dwelling that takes water from a communal standpipe or well should not be counted as a dwelling with inside water.

**Private toilets** may be either water-flushing WC-type or chemical toilets. They must be for the exclusive use of the inhabitants of the dwelling.