Linking Caribbean countries and treatment of partial participation in the 2017 Round

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Objectives
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- To review the main steps followed in the estimation of PPPs for the 2011 Round
- To analyze changes recently carried out for its updates
- To detail on the steps undertaken for 2017 Round, highlighting differences the 2011 Round
- To describe impacts of different linking of LA & CAR
ICP 2011 Approach
The 2011 Approach

- Round conducted separately for the 38 CAR and LA countries
- Price data collected based on slightly different product lists (637 products for LA and 570 for CAR) and timing
- Separate estimates of the two sub-regions, aggregation through fixity
The 2011 Approach

- **Major causes for 2011 revision**
  - National Accounts: major changes in 30 countries (PAR (+34.3%), BHS (+27.9%), SLV (-21.8%), LCA (+19.3%), and TTO (+16.6%))
  - Population data: revisions in 15 countries, with variations usually below 2.0% (but some relevant cases, i.e. HND (+6.2%) and PRY (-4.1%))
  - Changes in PAF
ICP 2017 Approach
The 2017 Approach

- Use of a common list of items, composed of 774 Global and Regional items
- LAC Household Consumption list with 418 items from the Global List as well as 51 additional Regional items, while all Special Surveys questionnaires were equal to the Global ones
The 2017 Approach

- Response patterns, especially concerning Special Surveys, quite similar over the two Rounds
- But lower response rates in the Cycle 2017, with no deliveries concentrated in few countries
- Increase of non-response rate in the 6 Special Surveys, especially in CAR
The 2017 Approach

- Whilst LA countries, from 2011 to 2017, passed from a non-response rate of 19.6% to 21.8%, CAR countries registered an increase from 20.5% to 33.3%

- Contrarily, we notice virtuous countries providing consistently all questionnaires in the two Rounds (i.e. HND, URY, AIA, BMU, CUR, VCT, and SUR), and countries that performed better in terms of data submission in the current Round (i.e. SLV, BLZ, DMA, and TCA)
The 2017 Approach

- Reasons for such a reduction in response rate
  - different statistics priorities
  - chronicle scarcity of human resources (especially small CAR islands)
  - reduction of funds to statistics and cut of staff in NSOs
  - other exogenous factors, such as impact of meteorological conditions in CAR during 2017
The 2017 Approach

- Procedures for gaps filling used similar approaches to 2011
  - Donors approach, reference to external trade information (M&E, CAR)
  - Use of CPI and NA deflators, also for shifting of prices (by product) to 2017
  - 2011 extrapolation, with CPI and NA deflators
  - use of proportional prices in other available Basic Headings (mapping)
The 2017 Approach

- PPPs aggregation and calculations followed the steps below:
  - Production of PPPs for LA+CAR together (36 countries), with BRA as reference country;
  - Production of PPPs for LA (13 countries, BRA as reference) and CAR (23 countries, VCT as reference) separately; and
  - Replacement of PPPs for LA and PPPs for the CAR in the LA+CAR joint estimates, to maintain fixity
TAG Asks
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- Non-response - Procedure to fill in data gaps
- Outstanding challenges, especially for small countries – True commitment to programme
- Future - present Round(s)
- Linking of two sub-regions: ‘CAR First’, ‘CAR Equal’, or ‘CAR Last’?
THANK YOU