United Nations Economic and Social Commission for Western Asia (UN-ESCWA)

Regional Progress

IACG Meeting
New York – March 2017
Regional 2016 PPP Production Round

- Western Asia conducted a regional round for PPP production in 2016 to sustain the production of PPPs and build a continuous PPP time series for the region starting from 2011 with no gaps;

- The production of PPPs for 2016 was carried out through actual data collection;

- A retrapolation of PPPs for 2015 and 2014 will be achieved through the use of 2016 price data and the required price indices;

- Hence, at the end of this round, the Western Asia PPP time series would cover PPPs from 2011 to 2016 at the basic heading level and up to the GDP level.
Performed Activities - Sub-national PPPs

• **Sub-national PPPs - UAE:** In August 2016, the final results for sub-national PPPs were computed and they will be released soon.

• **Sub-national PPPs – Egypt:** A meeting will be conducted soon under the framework of Egypt’s sub-national PPP production project.

• **Sub-national PPPs – Sudan:** A project is also in progress with Sudan for the computation of sub-national PPPs.
Performing Activities - Sub-regional

- **Sub-regional HCPI – subset of non-GCC countries:**
  - In January 2016, an introductory meeting was held with a group of 3 non-GCC countries to present the HCPI concept and methodology. This initiative, which is currently ongoing, expanded to include two more countries in September and the harmonized indices will be published once the computation is completed.

- **Sub-Regional Workshop for ICP Data Validation:**
  - A sub-regional workshop for ICP data validation was carried out in September 2016 in Cairo, Egypt for the participating non-GCC countries separately due to the discrepancies and divergence in prices between the different non-GCC countries.
Performed Activities - Regional

- A regional workshop for ICP data validation was held in February 2017 in Cairo, Egypt;
- The purpose of this workshop was to conduct validation for quarter 1, quarter 2 and quarter 3 HHC data and a first round of validation for special surveys data;
- The validation aimed at helping the participating countries in performing the needed data adjustment and boosting data accuracy, as well as guiding them in the future data revision for quarter 4 and annual HHC data and the special surveys;
- This workshop featured special sessions on the implementation of the ICP 2017 round and the other upcoming regional activities in 2017.
Other activities

- In December 2016, the Regional Coordinator for Western Asia contributed to the 15th Conference of the International Association for Official Statistics in Abu Dhabi – UAE, and he presented a paper on “Developing a Strategy for the Continuous Production of PPPs and Improvement of Price Statistics in the Arab Region”.
Household Consumption

- The Regional Office worked on developing the regional product list for the 2016 regional round to increase representativeness and comparability, and reduce the countries’ data collection burden;

- The final regional product list consists of 632 regional items, out of which:
  - 428 items are common with the updated global list;
  - 204 items are specific to Western Asia region and not available in the global list;

- The regional ICP team also developed a catalogue for HHC which illustrates all the regional items (products and services) in Arabic and English along with pictures, thus clarifying the required items and facilitating data collection;

- The same regional product list will be used during the 2017 round (with updated FET items).
Household Consumption

- The following table shows the number of items (of the 632 regional items) for which each country has average prices:

<table>
<thead>
<tr>
<th>Countries</th>
<th>Number of items priced</th>
<th>% items priced out of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td>627</td>
<td>99%</td>
</tr>
<tr>
<td>Iraq</td>
<td>627</td>
<td>99%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>622</td>
<td>98%</td>
</tr>
<tr>
<td>Kuwait</td>
<td>609</td>
<td>96%</td>
</tr>
<tr>
<td>Morocco</td>
<td>609</td>
<td>96%</td>
</tr>
<tr>
<td>Egypt</td>
<td>595</td>
<td>94%</td>
</tr>
<tr>
<td>Oman</td>
<td>584</td>
<td>92%</td>
</tr>
<tr>
<td>Qatar</td>
<td>575</td>
<td>90%</td>
</tr>
<tr>
<td>Sudan</td>
<td>555</td>
<td>88%</td>
</tr>
<tr>
<td>Bahrain</td>
<td>537</td>
<td>85%</td>
</tr>
<tr>
<td>Palestine</td>
<td>504</td>
<td>80%</td>
</tr>
</tbody>
</table>
Special Surveys

- The updated global special surveys were used in the 2016 regional round;

- The regional team introduced further developments to some of the special surveys so as to be representative of Western Asia region and easy to use for data collection;

- The regional team developed catalogues for Construction and Machinery & Equipment surveys whereby each item was illustrated with a picture for ease of reference in data collection;

- The special surveys were all translated by the regional office to Arabic for ease of use by the participating countries.
### New Validation tool

The Regional Office at ESCWA developed a new tool for the validation of national Construction data:

1. To show that the difference between 2016 price data and the average price of 2011, 2012 and 2013 is > 40% or -40%.
2. To show the difference in the importance between 2016 and 2011, 2012 and 2013.
3. To show that the national price is relatively low compared to the prices of the other countries.
4. To show that the national price is relatively high compared to the prices of the other countries.
5. To validate the new items which were not available in 2011, 2012 and 2013 exercises.

#### Table:

**Importance 2018** | **National prices 2018** | **Importance 11-12-13** | **National Average 11-12-13** | **Difference between 2018 and 11-12-13**
--- | --- | --- | --- | ---
150211101 | Aggregate for concrete | 1 | 25 | 150211101 | Aggregate for concrete | 1 | 3.37 | 34.12%
150211102 | Sand, for concrete and mortar | 1 | 2 | 150211102 | Sand for concrete and mortar | 1 | 2.5 | -1.25%
150211103 | Exterior plywood | 1 | 10.21 | 150211105 | Exterior plywood | 1 | 10.21 | -100.0%
150211106 | Interior plywood | 1 | 6.14 | 150211106 | Interior plywood | 1 | 6.14 | -100.0%
150211107 | Chipboard sheet | 1 | 4.07 | 150211107 | Chipboard sheet | 1 | 4.07 | -100.0%
150211108 | Petrol (gasoline) | 1 | 0.67 | 150211108 | Petrol (gasoline) | 1 | 0.67 | 7.69%
150211109 | Diesel fuel | 1 | 0.66 | 150211109 | Diesel fuel | 1 | 0.66 | 20.06%
150211110 | Oil paint | 1 | 0.74 | 150211110 | Oil paint | 1 | 0.74 | -60.26%
150211111 | Emulsion paint | 1 | 0.76 | 150211111 | Emulsion paint | 1 | 0.76 | -60.26%
150211112 | Ordinary Portland cement | 1 | 23 | 150211112 | Ordinary Portland cement | 1 | 23.59 | -18.11%
150211113 | Ready mix concrete | 1 | 25 | 150211113 | Ready mix concrete | 1 | 22.32 | 11.03%
150211114 | Precast concrete slabs | 1 | 4 | 150211114 | Precast concrete slabs | 1 | 4.08 | -2.29%
150211115 | Common bricks | 1 | 5 | 150211115 | Common bricks | 1 | 9.7 | -47.4%
150211116 | Facing bricks | 1 | 1.21 | 150211116 | Facing bricks | 1 | 5.1 | 379.8%
150211117 | Hollow concrete blocks | 1 | 3.2 | 150211117 | Hollow concrete blocks | 1 | 7.5 | 127.6%
150211118 | Concrete blocks, solid | 1 | 27 | 150211118 | Concrete blocks, solid | 1 | 14.13 | 51.64%
150211119 | Clay roof tile | 1 | 0.8 | 150211119 | Clay roof tile | 1 | 7.16 | -88.03%
150211120 | Concrete roof tiles | 1 | 0.75 | 150211120 | Concrete roof tiles | 1 | 2.39 | -70.68%
150211121 | Ceramic wall tiles | 1 | 4.99 | 150211121 | Ceramic wall tiles | 1 | 4.99 | -100.0%
150211122 | Plasterboard | 1 | 2.35 | 150211122 | Plasterboard | 1 | 2.35 | 100.0%
150211123 | Hand wash basin | 1 | 15 | 150211123 | Hand wash basin | 1 | 20.47 | -24.72%
150211124 | High yield steel reinforcement | 1 | 3000 | 150211124 | High yield steel reinforcement | 1 | 163.75 | -46.16%
150211125 | Mild steel reinforcement | 1 | 2500 | 150211125 | Mild steel reinforcement | 1 | 107.94 | -58.14%
150211126 | Structural steel sections | 1 | 220 | 150211126 | Structural steel sections | 1 | 220 | 0%
150211127 | Sheet metal roofing | 1 | 2.75 | 150211127 | Sheet metal roofing | 1 | 2.75 | 0%
150211128 | Metal storage tank | 1 | 35 | 150211128 | Metal storage tank | 1 | 35 | 0%
150211129 | Copper pipe | 1 | 7 | 150211129 | Copper pipe | 1 | 7 | 0%
150211130 | Gypsum | 1 | 3 | 150211130 | Gypsum | 1 | 3 | 0%
150211131 | B.R.C.Majh | 1 | 180 | 150211131 | B.R.C.Majh | 1 | 180 | 0%
150211132 | Binding wire | 1 | 7 | 150211132 | Binding wire | 1 | 7 | 0%
150211133 | Electric fan | 1 | 1.1 | 150211133 | Electric fan | 1 | 1.1 | 0%
150211134 | Air-conditioning equipment | 1 | 40 | 150211134 | Air-conditioning equipment | 1 | 40 | 0%
150211135 | Truck, capacity of 30 m3, with operator | 1 | 40 | 150211135 | Truck, capacity of 30 m3, with operator | 1 | 40 | 0%

- **To show that the difference**
- **To show that the national price is relatively high**
- **To validate the new items which were not available in 2011, 2012 and 2013 exercises**
New catalogue

- The Regional Office is currently working on the development of Rentals catalogue to guide the national teams in data collection/validation processes.
The 2016 data collection activities are completed and the project is progressing as planned.

<table>
<thead>
<tr>
<th>Countries</th>
<th>HHC</th>
<th>Government Compensation</th>
<th>Rentals (June)</th>
<th>Private Education</th>
<th>Machinery &amp; Equipment</th>
<th>Construction</th>
</tr>
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<tbody>
<tr>
<td>Bahrain</td>
<td>Q1, Q2 &amp; Q3</td>
<td>✓</td>
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<td>✓</td>
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<td>Q1, Q2 &amp; Q3</td>
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<td>Jordan</td>
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<td>✓</td>
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<tr>
<td>Kuwait</td>
<td>Q1, Q2 &amp; Q3</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Morocco</td>
<td>Q1, Q2 &amp; Q3</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Oman</td>
<td>Q1, Q2 &amp; Q3</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Palestine</td>
<td>Q1, Q2 &amp; Q3</td>
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<tr>
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<tr>
<td>Sudan</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Survey Timetable

2016 HHC Data
Extrapolation 2017 & Actual data collection (HHC FET items)
2nd Quarter 2018

2016 Special Surveys

2017 Special Surveys

2017 Actual Data Collection
2nd, 3rd and 4th Quarters 2017

Retrapolation 2015 and 2014

2017 Special Surveys
Actual Data Collection 2017

2016 HHC Data

2017 Extrapolation 2017

2017 & Actual data collection (HHC FET items)

2016 Special Surveys

National Accounts

MORES 2017
July June May

MORES 2016
Feb Jan Dec

MORES 2015
July June

MORES 2014
May April
### 2016 Regional Timetable

**Table:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Description</th>
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<tbody>
<tr>
<td>2016</td>
<td>MORES 2016</td>
<td>Event Details</td>
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<tr>
<td></td>
<td>MORES 2015</td>
<td>Event Details</td>
</tr>
<tr>
<td></td>
<td>MORES 2014</td>
<td>Event Details</td>
</tr>
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</table>
ICP 2017 country participation

Countries participating in 2017 round under Western Asia region

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>Egypt</td>
</tr>
<tr>
<td>Iraq</td>
<td>Jordan</td>
</tr>
<tr>
<td>Kuwait</td>
<td>Morocco</td>
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<tr>
<td>Oman</td>
<td>Palestine</td>
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<tr>
<td>Qatar</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>Sudan</td>
<td>Tunisia</td>
</tr>
</tbody>
</table>

Unconfirmed participation

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lebanon</td>
<td>Libya</td>
</tr>
<tr>
<td>Syria</td>
<td>Yemen</td>
</tr>
</tbody>
</table>

Regional risk assessment:

Due to instability and political uprisings, several countries (Syria, Libya and Yemen) might not be able to participate in the 2017 round.
Special Surveys - 2017

- The updated global special surveys for 2017 will be used in the 2017 round;

- The catalogues for Construction and Machinery & Equipment surveys - developed by the Regional Office for the 2016 regional round - will be updated (if needed) whereby each item will be illustrated with a picture for ease of reference in data collection;

- The Regional Office is currently translating the updated global special surveys to Arabic for ease of use by the participating countries.
Special Surveys - 2017 (cont’d)

- Machinery & Equipment survey recommendations:
  - Updating the items' specifications as of Q1 2017: *Norton Security 2015 where there is already 2016 and 2017 versions*
  - Providing a range for each of the unspecified item's major specifications to help in assessing the validity of selecting the unspecified items;
  - Developing a reference price list to facilitate the validation process when there is a high dispersion in prices between countries.
Outreach activities

• In November 2016, the Regional Office produced issue #19 of the ICP Newsletter for Western Asia region, in both English and Arabic versions, to communicate the latest news about the ICP activities in Western Asia.
Member Countries’ Commitment

Member countries’ awareness of the importance of the ICP and the value and different uses of PPPs is reflected in their commitment to this project through:

- High level of dedication to the ICP and trust in the Regional Office;
- Enthusiastic participation in the different projects under the ICP framework;
- Hard work in ensuring the timely data submission and the accuracy of the results;
- GCC countries self-financing their participation in the workshops and meetings organized by the RO;
- Non-GCC countries grasping some of the burden by searching for methods to cover data collection and integrating the ICP with the national CPI for time and cost reduction and quality improvement.
Upcoming Regional Activities

- Regional validation workshop for 2016 annual data – April 2017
- Regional Workshop for National Accounts activities (2014 and 2015) – April 2017
- Sub-regional workshop for HCPI computation – June 2017
Thank you!