

International Comparison Program

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ICP 2011 Regional Status Reports

As of September 27, 2011

Global Office



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Table of Contents

1	Introduction.....	3
2	Africa	4
3	Asia and the Pacific	9
4	Commonwealth of Independent States	12
5	Latin America and the Caribbean	17
6	Pacific Islands	23
7	Western Asia.....	28
8	OECD - Eurostat	31
9	Singleton Countries -- Georgia	32

1 Introduction

This report provides information on the status of price survey implementation, national accounts activities, risk assessment, workplan and other aspects of the 2011 ICP regional programmes as well as the OECD-Eurostat PPP program, as of September 2011. All reports are provided by each regional coordinator.

The regional reports mainly elaborate the following five topics;

1. Household Consumption data collection
2. Other price surveys
3. National Accounts activities
4. Overall risk assessment
5. Upcoming regional activities

2 Africa

2.1 Introduction

The African Development Bank provides the overall management and coordination of the 2011 ICP implementation in Africa. The ICP 2011 round was launched in June 2010 and it was followed by a preparatory workshop in September 2010 to ensure countries were ready to implement the global exercise as planned in January 2011. The data collection for household consumption items price data collection started during the first quarter of 2011 in most countries.

This report presents a detailed regional status report for the implementation of the 2011 ICPAfrica since the last report prepared in April 2011, and is based on the suggested format by the ICP Global Office.

2.2 Household Consumption data collection

The Household consumption product list has been updated to include the 16 fast evolving technology products. Data collection forms and a catalogue for these products were elaborated and sent to ICP participating countries along with the data collection guidelines provided by the Global Office. Collection forms of water tariff were also sent to countries.

The ICP-Africa planned to collect data for household consumption survey on a monthly basis. However due to some resource constraints for some of participating countries, the frequency of data collection was changed from monthly to mid-quarter months with effect from June 2011. The new data collection cycle conforms to the Global Office requirements. Since data has been collected for some of the months in the first half of the 2011, for remaining period of price data collection for household consumption items, countries were requested to collect data in August, November 2011 and February 2012. In addition, countries were also requested to submit price data of products which are common to both ICP and CPI for the months when ICP-Africa data collection is not undertaken.

Starting months of Data Collection

Countries started collecting household consumption items price data at different points during the first six months of 2011 as shown in Table 1.

Table 1: Distribution of start months of data collection for household consumption survey

Months	January	February	March	April	May	June
Number of Countries	27	6	4	4	1	2

As stated earlier, the lack of or inadequate resources in some of the countries resulted in variation of data collection points depending on the accessibility to the available resource envelope. The coverage of data collection varies. In some countries only capital cities, others capital and cities and others have a national coverage; thus 29 countries have a national coverage and sixteen capital city and or other cities (for some during early months of data collection). The latter category of countries which started data collection late, extend the coverage to the entire country including both urban and rural zones.

Data Submission

The distribution of data submission by countries to the regional office is presented in Table 2. It indicates the numbers of participating countries which submitted data in January, February, March, April, May and June. Two types of data were submitted: (i) national household survey data and (ii) data for products which are common to both ICP and CPI.

Table 2: Distribution of data submission for household consumption survey

Months	January	February	March	April	May	June
Number of Countries	33	37	37	23	15	5

Forty five countries have provided the AfDB with survey frameworks and their matrices of availability and importance.

Data Processing tools at the national level

The Africa region is using updated versions of the 2005 tools MERGE DATAFILE and SEMPER to process and validate the 2011 Household consumption data at the national level. These tools have been tested by countries. Following the tests they identified some deficiencies, which have been addressed and countries were provided with newer versions to be used for the processing of the 2011 data at the national level. The list of the 16 fast evolving technology products was also included in the latest versions of the tools.

Data Validation Regional workshops

The regional office (Bank) organized the third regional workshop in Pretoria, South Africa from June 27th to July 1st, 2011 to review and validate data collected through price surveys and national accounts activities. In addition, the workshop reviewed the preliminary 2009 PPP updates, validated data on prices and national accounts for 2010, assessed the status of data collected during the first semester of 2011 and validated the 2011 first quarter data. A follow up workshop was organized in Tunis from 8-12 August 2011 for countries which did not attend the Pretoria workshop to ensure all participating countries have the same information regarding the implementation of the ICP 2011.

The Pretoria workshop was also attended by representatives from the Global Office and facilitated some of the sessions.

2.3 Other Price Surveys (Specific Surveys)

Dwelling and Housing Services

Most of our countries do not meet the data requirements (more than 25% of dwellings rented and rented dwellings distributed evenly throughout the country) to conduct the rental surveys and collect rents to calculate PPPs using the standard procedure. The resolution made at the Pretoria Regional seminar is that countries will use the quantity approach to calculate volumes of housing services generated in the country. For the latest year available data collection will be conducted in the period January to March 2012 while for 2011 data collection will be conducted in the period October to December 2012.

Machinery and Equipment

All the necessary materials in both French and English have been sent to the countries. The survey will be conducted by National Accountants in collaboration with the Price Statisticians and other staff working in the National Statistical Office (NSO) especially those in charge of merchandise trade statistics.

Almost all the new capital equipment in the countries is imported. The first step will be to establish a bridge table between the imports of capital goods according to the harmonized System of classification with the ICP-Africa classification in order to obtain the number and value of capital goods imported. The second step will be to identify the outlets and dealers who brought in the equipment and then collect the purchaser's prices.

Instructions have been sent to the Sub-Regional organizations (SROs) and countries to start preparing for the survey and be able to collect the data on machinery and equipment between September and November 2011.

It is worth noting that the regional office conducted a pilot survey on Machinery and Equipment Goods in Kenya, Senegal, South Africa and Tunisia. The objectives of the survey were to:

- (1) Determine the availability of a list of products and items in the above four countries, as a first step towards the overall survey on 191 items listed under Machinery and capital goods, specify which products are imported and which are manufactured locally and, provide local specifications where a clear difference with the proposed list of items.
- (2) Use the results of the pilot survey to confirm a final list of machinery and equipment goods that will be used in the main price collection in the countries participating in the 2011 ICP round.

The report has since been sent to the Global Office and findings have been incorporated in the ICP materials on Machinery and Equipment Goods.

Construction

We resolved during the Pretoria Regional workshop that the National Accountants in the respective NSOs will spearhead the data collection of the construction survey in conjunction with local experts in the construction industry.

The materials and questionnaires have been sent to countries in both languages. However, the briefing notes for the regional coordinators and NSOs on the selection criteria for national experts were only received in mid-August 2011 from the Global office. Because of the delay of the notes we are proposing that the dates to start data collection be shifted to the first quarter of next year instead of scheduled month of July (which is past) but still collect data for the reference year 2011.

Compensation of Government employees

Instructions have been given to countries to collect the data on compensation of employees in the third and fourth quarters of 2011 following the guidelines provided by the global office. The information on government compensation will be taken from official Government pay scales and supplementary information from social security institutions. We expect to have some results from countries before the next Regional workshop in October.

Private Education

Questionnaires in English and French were distributed to the countries during the last Regional workshop and through the SROs to those countries that didn't attend the workshop. No country has started data collection yet as the period of data collection is the first quarter of 2012. Nevertheless, we have asked countries to come up with a survey framework for the survey including identifying the respondents and data collectors.

2.4 National accounts activities

National Accounts-Latest year major Aggregate data and Metadata

Apart from Burundi and Gabon, which chose 2008 as the latest year available, all the countries that participated at the last Regional workshop adopted 2009 as the latest year available to be used in the ICP 2011 Milestones. National Accounts aggregates have been collected for all the participating countries apart from Angola and Seychelles. In the case of Seychelles and Angola, we have obtained the National Accounts aggregates from the UNSD database.

National Accounts-QAF and exhaustiveness

30 countries had completed the quality assurance and exhaustiveness questionnaires during the last Regional workshop held in Pretoria. 12 more countries have since submitted their quality assurance framework and exhaustiveness questionnaires bringing the total number of countries to 42.

National Accounts-Basic heading data and metadata

With regard to basic heading data, 40 countries have submitted the data to us. However, only two countries, Algeria and Malawi have completed the form 1 (metadata) of the MORES questionnaire. The remaining countries are being encouraged to submit the data before the 4th quarter.

2.5 The Africa Resource ICP Expert National Account group (AFRINA)

During the 3rd ICP Regional Workshop held in Pretoria South Africa from June 27th to July 1st 2011, an Africa Expert Resource ICP National Accounts group (AFRINA) was established. It is composed of AFRISTAT, ECA, AfDB, Statistical Training Centers (ENSEA Abidjan, EASTC Dar es Salaam, ISAE, Makerere University, INSEA Rabat and some 2011 ICP participating countries (Algeria, Morocco, Madagascar, South Africa, Zimbabwe and Mauritius). Its overall objective is to support the regional office in ensuring that GDP expenditures compiled by the countries participating in the 2011 round of ICP are sound in terms of the adherence to the SNA-93 and have complete coverage of the goods and services within the SNA's production boundary to ensure they are as comparable as possible across the countries. AFRINA will also be responsible for undertaking further research on treatment of certain NA activities.

2.6 Overall risk assessment

Eritrea has formally written to us that they are not participating in the ICP 2011 round. Due to the political situation in Libya, it may not be possible for Libya to participate fully in the program. At the moment all statistical activities have been suspended.

Angola has not been participating in the Regional workshops and has broken contact. The regional office is making efforts to reestablish contact through SADC. In the absence of data, we are exploring possibilities of using CPI data and NA aggregates submitted to IMF or UNSD and use the distribution of ICP 2005 to derive the GDP breakdown for 2009. In the meantime, efforts are being made through SADC to ensure that price data is collected at least for one month before February 2012.

Burkina Faso and Cameroon present some potential risk as they have yet to launch the household consumption survey at the national level.

2.7 Upcoming regional activities

The fourth regional ICP-Africa workshop will be organized in collaboration with AFRISTAT in Bamako, Mali from 24-28 October 2011. It will bring together price statisticians and national account experts of participating countries. Other participants includes, sub-regional organizations (AFRISTAT, ECOWAS, ECCAS, COMESA, and SADC) and Statistical Training Centers (ENSEA Abidjan, EASTC Dar es Salaam, ISAE, Makerere University, INSEA Rabat and the Global Office.

The objective of the workshop is to (i) review progress of the ICP 2011, (ii) review and validate the ICP 2nd quarter data collected on Household Consumption price data (iii) review progress on the implementation of the ICP Specific Surveys largely undertaken by the ICP national accounts team, (iv) discuss the best practices and approaches for Specific Surveys, as well review recommendation on treatment of specific issues by the Africa Resource ICP Expert National Account group (AFRINA), which was constituted at the last region workshop (v) receive and validate the ICP prices and national accounts data for 2010 and (vi) review the preliminary results of the 2009 PPP computation.

3 Asia and the Pacific

3.1 Household Consumption data collection and data validation

Twenty two of the 23 participating countries commenced household price surveys in the first quarter of 2011. Bangladesh deferred price collection to the second quarter because of the Bangladesh Bureau of Statistics' involvement in their population census. The conduct of the population census has affected a few other countries. Brunei Darussalam, Nepal and Pakistan conducted price collection during quarter one but were unable to submit it in time for the regional workshop. The former two were involved in census taking while the latter conducted a house listing operation in preparation for the population census. Second half (third and fourth quarters 2011) price collection may be affected in Sri Lanka and Pakistan as both would be conducting their population censuses during this period. Macao,China would also be undertaking its population census in the second half of 2011, but no interruption in their price collection is anticipated.

Two others, the People's Republic of China (PRC) and India submitted partial sets of prices, just for the Food basic heading.

Two levels of data validation for the Q1 data were done at ADB. Country-level price data were initially reviewed at ADB using standard ICP parameters (CVs, Min/Max ratios).The results of this initial review were communicated to the countries for action/comments. Based on the re-validated data from countries, ADB undertook an inter-country data validation.

The results of the Q1 inter-country validation for the 19 economies that were discussed during the Workshop held in Kathmandu from 13 -18 June 2011 related to high price variations, some of which were caused by non-price factors such as UoM, quantities, and data entry errors. As this was the first regional data review workshop, settling issues on UoMs, quantities, SPDs, splitting of products, etc., were the main topics of discussion rather than the actual price collected. The list of fast moving technology products was also presented at the workshop and by consensus, additional products were added to the household product list to meet the global product list requirement. The combined regional and global household lists now stands at 966 items.

After the Kathmandu workshop, countries were advised to resubmit the Q1 2011 price data based on the issues discussed in the workshop, including the prices for the newly introduced technology products. Each was provided with the diagnostics and analysis of their average prices in exchange rate compared to Asia Pacific and their respective subgroup. To date only 12 countries have resubmitted their Q1 household data. Q1 price data validation, therefore, is still on-going.

To date just Bhutan; Hong Kong, China; Myanmar; and, Taipei,China have submitted preliminary price data for Q2 2011. Subsequent follow-ups have been made to obtain the revised Q1 and Q2 data from countries in time for the regional workshop on 19-21 September 2011.

Data submissions for all quarters have been set at 6 weeks (revised from 1 month) after the reference quarter. This was to accommodate the request of countries in consideration of the CPI crunch time.

3.2 Other price surveys (Non-household sectors)

Bhutan; Singapore; and; Hong Kong, China have commenced price collection for M & E products. Given the complexity of the sector, countries have been advised to engage national experts/resource persons to assist them with the product list, in particular in ascertaining availability, and in identifying identical/equivalent products. A non-household sector workshop has been scheduled for 22-24 September where national M & E experts/resource persons have been invited to participate. Technical guidance has been sought from the ICP Global Office and international consultants engaged by the Global Office for M & E and construction would assist in the workshop discussion.

On housing rental, four countries have conducted initial assessments of the dwelling types that are available for pricing in their countries. Of the four assessments received, two have indicated that 3-room apartments should be included in dwelling types. Another consideration that will be up for discussion is the splitting of items where condominium and apartments are identified as one and the same item. In most economies in Asia, prices for these two types of dwellings vary significantly given the differences in amenities and locations.

In the Asia Pacific region, education was already included in the regional household product list from the onset. The regional list and the global list have been matched and there is sufficient overlap not to warrant a separate price collection survey for education. Non-overlapping items will be added to the regional list.

No country has indicated having started the construction survey.

Sending compensation of employees' (CoE) questionnaires to countries have been deferred so as not to overwhelm them with too many questionnaires and deadlines. As CoE data is to be extracted from government administrative records, timing of "survey" is not critical. From past experience (ICP 2005 and 2009 Update) getting countries to submit CoE data is not a major challenge.

3.3 National Accounts activities

A training workshop on the ICP requirements for national accounts was conducted for national accountants from all the participating countries on 14 - 15 July 2011, after the Conference on the Supply and Use Tables on 12-13 July. All the national accounts forms as prescribed by the Global Office were presented. However, on consensus, only Form 1 and corresponding metadata were made mandatory for submission. The 2009 PPP Update and the SUT (both ADB technical assistance projects) has gone a long way to address national accounts issues in most of the participating countries.

3.4 Overall risk assessment

No political risk is foreseen that may disrupt the implementation/timetable of the regional program and we are optimistic that no country would withdraw from the ICP. We anticipate all countries to participate in the full GDP, including Myanmar, a first time participant in the ICP. A major concern with Myanmar however is the issue on exchange rates. A vast difference exists between the "official" and "real" market exchange rate which will result in totally different PPPs for the country and the region. A solution via dialogue with the Myanmar authorities has to be sought soon.

Data collection for household and non-household products is on track, although we foresee delays in the submission of data, largely on account of countries involvement in the population census.

3.5 Upcoming regional activities

The Third Technical Evaluation of Household Price Survey Results will be conducted on 19-21 September 2011 to review intra and inter country price variations; identify and address sources of variations; and, assess the overall quality of the first half 2011 household price data.

Following the above workshop, the Discussion of Non-Household Sectors will be held from 22-24 September 2011 to discuss issues related to the non-households sectors including the preliminary assessment of availability, identical/equivalent products for M & E and construction; and dwelling types for housing. Methodological and operational issues encountered during price collection and validation of prices for Non-HH items (if there is any) are also to be addressed. As mentioned earlier, national M & E experts/resource persons and the Global Office consultants on M & E and construction have all been invited to the workshop.

3.6 Other matters

The Japanese Government has made available the IMF funds to assist selected Asia Pacific countries participating in the 2011 ICP Asia Pacific with the national accounts and price statistics. An update from the IMF on the progress made to date would be useful information for the Asia Pacific regional coordinating agency.

4 Commonwealth of Independent States

4.1 Household Consumption data collection

List of countries/economies that are collecting price data for the Household Consumption price survey on a regular basis, with the start date of the activities

The following 10 CIS countries confirmed their participation in the comparison: Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Ukraine and Uzbekistan. Memoranda of Understanding between CIS STAT and national statistical services of the above CIS countries were prepared and signed.

In accordance with the ICP work schedule in the CIS region all 10 CIS countries that are participating in the comparison have started to collect the data on prices for ICP in January of 2011. At the moment the prices are being collected on consumer and investment commodities.

The final regional list of consumer commodities-representatives includes 8 parts (total 2344 commodities-representatives):

1	Food	516 items
2	Goods for personal use	394 items
3	Household goods	423 items
4	Services	290 items
5	Furniture	135 items
6	Health care	320 items
7	Transportation	107 items
8	Other items	159 items

As in the case of the previous round of the Global comparison, the CIS countries will be integrated in the global results through the results of comparison of OECD - Eurostat, because Russian Federation participates in two regional comparisons and this procedure can avoid mixed results of comparisons.

Since 1993 OECD is involved in the CIS region comparisons. The methodology that is used in the CIS region is almost identical to the methodology of the OECD - Eurostat.

Status of the quarterly Household Consumption data collection, data submission to the Regional Coordinator, inter-country data validation, and data submission to the Global Office.

The CIS countries carry out monthly and quarterly observations, depending on inflation and the decisions to the effectiveness of the work. These observations cover a whole country or metropolitan regions, with further application of coefficient to correct the calculations of national average annual prices on the basis of the experience of OECD-Eurostat. The network of CPI outlets is used to organize surveys in most countries. The adjustment of prices on consumption from own production, which covers certain groups of foodstuffs as meat, milk, vegetables, fruit and alcohol is

made in the CIS countries. This adjustment is related to national accounts data. The adjustments to own production and spatial adjustments are made once a year after the completing of prices monitoring, obtaining the statistical reports and annual calculation of national accounts. Spatial factors are not applied to basic headings but to specific data product on the CPI. This is due to the fact that prices of branded goods have significantly less variation in prices.

As is shown by the experience of the Russian Federation, that uses a method of monitoring the prices in metropolitan area, the prices in capital are close to national averages. The exceptions are the prices for services; the prices for services in Moscow are significantly higher than in other regions. The nature of each item is taken into account when spatial factors are used.

As noted above, since 1993 the comparison in the CIS region uses the experience of the OECD comparisons. The countries which are participating in the comparisons provide the national average annual prices. This practice is enshrined in the signed Memoranda.

A separate question on the observations of prices concerns seasonal products. Seasonality varies across CIS countries.

In the first 2 weeks of April 2011 the CIS countries carried a price survey for domestic and international flights and estimated the cost of the tickets in April with the flights in June 2011, and for intercontinental flights - booking in April with the flights in September 2011. In the case when direct flights don't exist and the connecting are more accessible - only connecting flights are estimated.

The consultations on specific requests of countries on the identification and valuation of goods are undertaken currently. According to preliminary data good coverage of the regional list of representative goods is expected. The coverage of the parts differs depending on of the list.

The member countries of the CIS region should provide the national average annual prices for consumer goods-representatives in March 2012 for the first iteration of the PPP calculations and cross-country price verification.

In accordance with the Memoranda of understanding between National Statistical Services of CIS countries and CIS-STAT and the timetable of the CIS region, the national average annual prices for items from Global Core List are to be submitted to the Global Office.

Timetable for the remaining Household Consumption price collection periods

After obtaining data of PPP a meeting on validation of price data for machinery, equipment and construction of experts from CIS countries is scheduled in the second quarter of 2012. After this meeting the proposals to solve the problems and identify the mistake to recalculate the PPP will be received from the countries during 2012. The final calculation of PPPs will be implemented after obtaining data on disaggregation of GDP and analysis of the preliminary results of comparisons in 2013.

4.2 Other price surveys

Timetable for other price surveys with mention of countries/economies that have started collecting data for each survey

Housing

The CIS region is using a quantitative method for comparisons which is based on the data on housing. Most CIS countries have a special statistical form, which is filled up each year. The deadline of these data is September 2012.

Education

Currently the goods/services-representatives of this group are included in the standard observation of prices. At the same time it is supposed to carry out an experimental calculation on the basis of a new methodology for the OECD - Eurostat for comparing educational services. The member countries of the CIS region should provide the national average annual prices of education in March 2012 for the first iteration of the PPP calculations and cross-country price verification.

Compensation of employees

The OECD-Eurostat questionnaire which was implemented for comparisons on 2008 is used for statistical reporting forms on 2011 data. The deadline for submission of annual statistical data is September 2012.

Machinery and equipment

The list of representative goods has been agreed upon at the meeting on 23-25 March 2011. It contains 563 representative goods and includes a list of capital goods for comparisons of the OECD-Eurostat and the ICP 2011 Global round. Coverage of the countries of the list is expected to vary depending on the investment. This survey has already started in the CIS countries.

In accordance with the schedule the prices for capital goods should be sent by the countries to the regional coordinator in January and February 2012. At the end of the first quarter (March 2012) a meeting is planned for discussion and agreement of prices for investment goods-representatives. After this meeting the proposals to solve the problems and identify the mistake to recalculate the PPP will be received from the countries. The final calculation of PPPs will be implemented after the data on disaggregation of GDP and analysis of the preliminary results of comparisons in 2013 will be obtained.

Construction and civil engineering

For the comparison of construction in the CIS region "KO-INVEST" company was involved as one of the leading expert companies in the Russian Federation providing of assessment, design, engineering and consulting services. "KO-INVEST" organizes a continuous monitoring of prices in CIS region and has a big experience in design and construction. In cooperation with the experts of "KO-INVEST" a method of the resource-technological models (RTM) was developed and implemented in the CIS region. This method was successfully used in the comparisons of the CIS countries for 2000, 2004, 2005 and 2008. In ICP 2011 in the CIS region in construction there will continue to be used the method RTM and process models based on an estimate of cost elements for

standard construction projects. This method is consistent with the method of construction of price indices in the construction of the CIS countries and there is a knowledge base for its use.

Following discussions at the meeting on March 23-25, 2011 the specialists of "KO-INVEST" have refined specification of construction products and developed a unit conversion table for construction materials.

In accordance with the schedule the prices of construction materials should be sent by countries to the regional coordinator in January and February 2012 for further analysis and calculating of construction projects in a centralized manner for all the CIS countries. At the end of Q1 2012 in March the meeting for discussion and reconciliation of prices for investment goods including construction is scheduled.

4.3 National Accounts activities

Progress made so far

In order to prepare for ICP 2011 the national statistical services of CIS countries have carried out a pilot disaggregation of GDP data for 2008 for the Basic Heading. The disaggregation of GDP data for 5 countries involved in the comparisons for 2008 (Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia) has already been used. 2 countries (Moldova and Uzbekistan) haven't provided these data.

Timetable for remaining activities

It is expected that CIS countries will prepare the metadata in accordance with the Form 2 by the end of 2011. The classification of expenditure on GDP of the CIS countries allocates 183 primary groups that are transformed in the classification of expenditure on GDP Global Round.

4.4 Overall risk assessment

Risk of countries not participating at full GDP level

There are no risks of CIS countries in participating at full GDP level.

Risk of gaps in collection periods

There are no risks of gaps in collection periods.

Other challenges

There are doubts about participation of Uzbekistan in the comparisons because their specialists didn't participate at the latest meetings held in Moscow, and the failure of disaggregate data on GDP for the basic headings for 2008.

4.5 Upcoming regional activities

The following meetings of the CIS ICP experts are scheduled:

- on comparison of non-market services, IV q. 2011;
- on validation of price data for machinery, equipment and construction, I q. 2012;
- on validation of price data for households consumption items – II q. 2012.

Bilateral consultations on the harmonization of prices and PPPs of the specialists of CIS-STAT and Rosstat with the countries participating in international comparisons of GDP are also planned in the period before June 2012.

5 Latin America and the Caribbean

5.1 Household Consumption data collection

List of countries/economies that are collecting price data for the Household Consumption price survey on a regular basis, with the start date of the activities

Latin America

The following 17 Latin American countries are collecting price data on a regular basis, with starting date the first quarter of 2011: Bolivia, Brazil, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Haiti, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

Caribbean Islands

Consumer price data collection will start in the fourth quarter of 2011, once the regional list for the Caribbean will be closed (the meeting is scheduled for the period 13-15 October 2011).

Status of the quarterly Household Consumption data collection, data submission to the Regional Coordinator, inter-country data validation, and data submission to the Global Office.

Latin America

During August 2011, two meetings were held, one for South American and one for Central American countries, where the results of the price data collection for the first and second quarters of 2011 were extensively analyzed. The analyses and discussion during the two meetings covered 15 participating countries that sent data of acceptable quality: Bolivia, Brazil, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Honduras, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

Most of the 15 countries made available the associated micro-data, although those should be only used within the framework of the regional validation exercise.

Guatemala and Haiti have provided micro-data, but affected by problems of different nature: among those, excessive variability and low coverage at the level of the basic headings. Argentina has not provided the required information and has not attended the validation meeting.

The 12th of October, the Quaranta table for the second quarter will be submitted to the Global Office.

During the two meetings held in August 2011, a final agreement has been reached concerning the product list and the specifications.

Caribbean Islands

Not applicable.

Timetable for the remaining Household Consumption price collection periods

Latin America

Quarter 3, 2011:
Price collection period: August-September, 2011
Data submission to Regional Office: 4 November 2011
Quarter 4, 2011:
Price collection period: October-November-December, 2011
Data submission to Regional Office: 19 January 2012

Caribbean Islands

Quarter 4, 2011:
Price collection period: November-December, 2011
Quarter 1, 2012:
Price collection period: January-February-March, 2012
Quarter 2, 2012:
Price collection period: April-May-June, 2012
Quarter 3, 2012:
Price collection period: July-August-September, 2012

5.2 Other price surveys

Timetable for other price surveys with mention of countries/economies that have started collecting data for each survey

Housing

Latin America

The 17 countries cited above are compiling data concerning rent for the months of June/July 2011. By December 2011 and January 2012 the same countries will collect data for the rents referring to the months of December 2011/January 2012.

Caribbean Islands

No plan of operation has been agreed upon so far.

Education

Latin America / Caribbean Islands

A first analysis of the data requirements transmitted by the Global Office, as per communication of July 2011, reveals that there might be problems in obtaining the required information from member

countries, especially because of the amount of human resources needed for data collection. For this reason, all member countries did not start yet the operation of data collection, and no calendar for data collection has been agreed upon so far.

Compensation of employees

Latin America

A meeting on National Accounts will be held in 18-20 October 2011. The meeting will be in great part dedicated to the ICP Round. An expected outcome of the meeting is to reach an agreement on the work plan and timetable for the activities concerning compensation of employees. The surveys are supposed to take place during the year 2012.

Caribbean Islands

No plan of operation has been agreed upon so far.

Machinery and equipment

Latin America

The survey will be carried out between the 1st of October and the 31st of December 2011.

Caribbean Islands

No plan of operation has been agreed upon so far.

Construction and civil engineering

Latin America

The 17 member countries are actually compiling the data corresponding to the months of June/July 2011.

Caribbean Islands

No plan of operation has been agreed upon so far.

5.3 National Accounts activities

Progress made so far

Latin America

Table 2 of National Accounts is available for 13 member countries (last year available): Bolivia, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Nicaragua, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela. Nicaragua and Paraguay have provided the data referring to the disaggregation of Household Final Consumption.

Caribbean Islands

The GDP by type of expenditure (latest available year) is available so far for 13 member countries in the Caribbean: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and The Grenadines, Saint Lucia, Suriname, and Trinidad and Tobago. Two reports of UN-ECLAC consultants on the status of National Accounts for 10 member countries are available at the moment.

Timetable for remaining activities

Latin America

The meeting on National Accounts to be held in October 2011 will include discussion on the commitments of member countries as well as the timetable for providing the information required to complete the Table 2, and the method that will be used in the MORES framework.

Caribbean Islands

The agenda of the meeting on National Accounts to be held in 26-28 September 2011 include a discussion of the present situation in the region, the data requirements and the main data gaps. This will allow understanding, case-by-case, the strategy to be adopted and the approaches to fill in the various data gaps encountered.

5.4 Overall risk assessment

Political risks of countries not participating

Latin America

Argentina: Notwithstanding the numerous requests, the UN-ECLAC has not received so far any price information concerning the first and second quarters of 2011.

Haiti: The degree of coverage for the first and second quarter is not satisfactory. Notwithstanding the interest shown in the activities, Haiti does not seem in a position to satisfy the minimum data requirement for the program.

Salvador: Price data have been transmitted, however a complete assessment of their reliability and quality requires that more basic metadata are transmitted to the regional office.

Caribbean Islands

Human and financial resources available constitute a major risk factor for the success of the program in this sub-region. As a consequence, there is a strong need to continue fund-raising activities, establishing closer links with international and regional actors willing to support the program. From a more substantive viewpoint, the availability and quality of data on Price and National Accounts poses a serious issue. The meeting to be held in September in Port of Spain will be an important step towards addressing such challenges, with an extensive discussion of problematic areas and the degree of participation of member countries in the program.

Risk of countries not participating at full GDP level

Latin America

Cuba and Haiti are two cases where the level of disaggregation required by the Program is not available.

Caribbean Islands

Few countries in the region compile their National Accounts with the level of detail of GDP by expenditure as required by the Program.

Risk of gaps in collection periods

Latin America

No risk has actually been identified.

Caribbean Islands

As previously noted, there is a gap in the calendar as far as concern data collection, elaboration, transmission etc. for the Caribbean Islands with respect to the timetable agreed upon with Latin America member countries.

Other challenges

Latin America

The collection of price data for machinery and equipment poses some serious issues, especially concerning the identification of a uniform set of products. It is not excluded that, due to the various problems encountered, member countries will adopt simplification in price calculations.

Caribbean Islands

The availability and quality of data for household consumption represents a major obstacle for some Caribbean countries for a complete participation in the program.

5.5 Upcoming regional activities

	Date	Venue	Activities
1	September 20-21, 2011	Santiago, Chile	Workshop on Machinery and Equipment, Latin America
2	September 26-28, 2011	Port of Spain, Trinidad and Tobago	Expert Group Meeting on National Accounts, Caribbean Islands
3	October 10-12, 2011	Port of Spain, Trinidad and Tobago	Workshop for Price Collectors, Caribbean Islands
4	October 13-15, 2011	Port of Spain, Trinidad and Tobago	Workshop on Closing the Regional List, Caribbean Islands
5	October 18-20, 2011	Santiago, Chile	Annual Seminar on National Accounts, Latin America
6	November 8-10, 2011	Santiago, Chile	3rd Meeting for Validation of Prices, South America
7	November 15-17, 2011	Santiago, Chile	3rd Meeting for Validation of Prices, Central America

6 Pacific Islands

6.1 Some background on the Pacific

The Solomon Islands is the third largest country in the Pacific region by population after PNG and Fiji. We recently visited the Solomon Islands NSO to meet the newly appointed Government Statistician Douglas Kimie and the people in his office who will be responsible for the ICP. We took the opportunity to provide some background on the global ICP, and explain what was required at this point in order to finalise the Pacific region product list. We also took the opportunity to visit a number of outlets currently included in the CPI collection, including the main market in the capital city Honiara.

The CPI in the Solomon Islands is called the Honiara Consumer Price Index (HCPI), and as the name implies, price collection is currently restricted to Honiara on the island of Guadalcanal. Honiara is a city of around 70,000 people and accounts for about 15% of the population of the Solomon Islands. The other urban centres, of which Auki on the island of Malaita and Gizo on the island of Western are the largest, account for another 5% of the population. Most of the remaining rural population is distributed across ten major islands in the Solomon Islands archipelago.

The Solomon Islands NSO has about 20 employees, of which two are dedicated to the CPI. Prices for a basket of around 200 products are collected monthly, except for fresh food items at the Honiara market which are collected weekly. The CPI team spends the first two weeks of each month collecting prices, and the second two weeks compiling the CPI. The CPI is published monthly.

The NSO is keenly aware of the limited coverage of the current CPI. Anecdotal evidence is that prices for many items are 20-30% higher on islands other than Guadalcanal. While this is clearly a major issue for the ICP which aims to collect 'national average prices', it also suggests the the HCPI may not be representative of the country as a whole. Regular collection of prices in other centres is not feasible at this time because the NSO does not have the budget to base staff outside of Honiara.

In the years since 1998 the Solomon Islands has experienced major civil unrest, culminating in the riots of 2006 that caused considerable damage to property. In response to this unrest, a Regional Assistance Mission to the Solomon Islands (RAMSI) was put in place to establish order and help re-establish the effective conduct of government in the country. RAMSI is still in place, and the Solomon islands NSO currently has a RAMSI appointee on contract providing advice to the Government Statistician and engaging in other capacity building activities.

While the Solomon Islands is not necessarily 'typical' of the Pacific region, this sketch does illustrate a number of key points that explain why the Pacific region is participating in the current round of the ICP on the following simplified basis:

- the Pacific countries will only collect prices for household consumption items;
- the number of items priced will be limited to about 100 for the larger more sophisticated (Tier 1) economies, while the smaller less sophisticated (Tier 2) economies will collect prices for around 10-15 items;
- there will be no expenditure data collected; and
- data collection will take place in calendar 2012.

This sketch also illustrates the importance of regarding the current ICP largely as a capacity building exercise, not only to ensure fuller participation in the next round, but also to improve economic statistics in the region more broadly.

6.2 Update on participation

The following table summarises the current status of participation in the Pacific ICP.

COUNTRY/TERRITORY	POPULATION	PARTICIPATION	TIER 1 OR 2
PNG	6,888,297	YES	TIER 1
FIJI	851,745	YES	TIER 1
SAMOA	183,617	YES	TIER 1
TONGA	103,682	YES	TIER 1
VANUATU	251,784	YES	TIER 1
SOLOMON ISLANDS	553,254	YES	UNCERTAIN
FSM	102,360	YES	UNCERTAIN
KIRIBATI	102,697	YES	UNCERTAIN
MARSHALL ISLANDS	54,999	YES	TIER 2
PALAU	20,643	UNCERTAIN	UNCERTAIN
COOK ISLANDS	15,576	YES	TIER 2
TUVALU	11,206	YES	TIER 2
NAURU	10,185	YES	TIER 2
NIUE	1,446	YES	TIER 2
TOKELAU	1,162	YES	TIER 2
GUAM	192,090	YES	TIER 1
CNMI	63,517	YES	TIER 2
AMERICAN SAMOA	66,692	UNCERTAIN	UNCERTAIN
FRENCH POLYNESIA	271,831	UNCERTAIN	UNCERTAIN
NEW CALEDONIA	252,331	YES	TIER 1
WALLIS AND FUTUNA	13,193	YES	TIER 2

Of the 15 Pacific Island countries invited to participate in the Pacific ICP, 13 have formally accepted and the Marshall Islands has engaged with the program even though they have not formally accepted. Due to their limited statistical resources, Palau has not yet provided an indication of whether or not they will participate.

We have also invited the French and American Pacific Territories to participate. Of the American Pacific Territories, Guam has agreed to participate on a Tier 1 basis, and CNMI has also agreed to participate. We have not yet had a formal response from American Samoa, but they have already indicated their interest. Of the French Pacific Territories, New Caledonia has agreed to participate

on a Tier 1 basis, Wallis and Futuna has also agreed to participate. We have not yet had a formal response from French Polynesia, but they have already indicated their interest.

In summary, of the 21 PICTs invited to participate, we are confident that 18 will engage with the program, and we remain optimistic about American Samoa and French Polynesia. We are uncertain about the participation of Palau.

6.3 Support from the SPC

The Secretariat for the Pacific Community (SPC) has a central role in coordinating the implementation of strategies for the development of statistics in the Pacific region, as spelled out in the Ten Year Pacific Statistics Strategy 2011-2020, and the Pacific Statistics Strategy Action Plan Phase 1, 2011-2014, which addresses the region's core sectoral priorities. One of the four strategic priorities focuses on Economic Statistics, and this provides the entry point for the ABS Pacific Statistics Program funded by AusAID, and through which the ABS provides technical support to the Pacific region. The Pacific ICP is an important component of the Pacific Statistics Program.

The SPC has indicated their strong support for the Pacific ICP. Given their established relationships within the region, SPC staff have played an important role in helping to communicate with a number of Pacific Island Countries and Territories, and otherwise encouraging their participation in the Pacific ICP.

We recently visited the SPC offices in Noumea to begin work on a joint Prices/ICP workshop with the SPC, and the SPC has agreed to provide logistical support for the organisation and conduct of the workshop, including the use of their training facility in Fiji (see below).

Given their central coordinating role, the support of the SPC is important to the success of the Pacific ICP.

6.4 Compilation of a regional product list for the Pacific

A draft Pacific Product List (PPL) has been compiled and sent to all participating countries for their review. The list contains about 100 items that we hope can be priced by the bigger countries in the region (Tier 1 countries), and it identifies about 15 items that we hope can be priced by the other countries (Tier 2 countries).

The draft PPL was compiled from CPI lists collected from participating countries. CPI lists were compared to identify the products that appeared in the most lists, and with the highest weights. We then chose the most important products, but also took care to get a good spread across expenditure categories and groups within categories. Given the limited number of items it is not possible to represent all Basic Headings.

Since CPI lists did not provide sufficient detail on product specifications, the initial draft has taken product specifications from the Global Core List. We have asked each country to review the product specifications and, where the given specification is not available, to provide alternative specifications that are available.

At this stage we have received initial comments from a small number of countries. We expect that the process of gathering comments from countries and refining the PPL will take much of the time until the workshop scheduled for November 2011.

Once the PPL is finalised, we will encourage each country to price as many products as they are able to. We plan to use the workshop to help finalise the list of products that will be priced by each country.

6.5 Regional workshop

The first regional workshop for the Pacific ICP is scheduled for November 2011.

At this stage the intention is to hold a joint workshop with the SPC, which has also scheduled a Prices workshop for the first two weeks of November. The SPC's Prices workshop will focus on temporal price indexes, and we see a good opportunity to integrate material on temporal and spatial price indexes. There are elements of the ICP such as the need for precise product specifications that dovetail with some of the practical aspects of maintaining a CPI. Conversely, practical issues in CPI maintenance such as how to handle products that disappear from the market are also likely to be important in the ICP.

Furthermore, the people responsible for the ICP will generally be the same as those responsible for the CPI, and an integrated workshop should play well to the capacity building dimension of the Pacific ICP

As mentioned, the SPC has agreed to provide logistical support in organising and conducting the workshop, most likely at their training facility in Suva, Fiji.

At this stage we propose a separate workshop for the French Pacific Territories. This will require the assistance of French-speaking staff at the SPC.

6.6 Update on financial and technical support

Funding for the ABS Pacific Statistics Program, which is executed in partnership with the SPC and AusAID and which includes the Pacific ICP, was approved by AusAID in May 2011.

At this stage we plan to ask the relevant French and American agencies to contribute the cost of travel and accommodation at training workshops for representatives from their Pacific territories. Given the relatively minor costs involved, we expect that they will agree to make these contributions.

With regard to technical support, we visited the Solomon Islands NSO on 4 and 5 August, the Fiji NSO on 5 and 6 September and the Kiribati NSO on 7 September 2011.

As previously advised, New Zealand has agreed to provide technical assistance to the Cook Islands, Niue and Tokelau for their participation in the Pacific ICP.

6.7 Regional linking

Australia and New Zealand have been asked to participate in the Pacific ICP as additional link countries by pricing the PPL through 2012. This should enable more robust linking of the Pacific results to the rest of the world.

We are currently awaiting confirmation of their participation.

6.8 Overall risk assessment

The major risk at this point is that some countries do not engage properly with the program because of staffing or financial difficulties faced by some NSOs.

We have also noted some complication around funding for the participation of the American and French Pacific Territories.

Beyond this, it is worth noting that countries within the Pacific region have relatively small economies, characterised among other things by a limited availability of household consumption items. Together with the wide geographic spread of countries within the region, this makes it relatively difficult to compile a significant list of product specifications that are available across the region.

7 Western Asia

7.1 Household Consumption data collection

Concerning countries that are collecting price data for the Household Consumption price survey and the corresponding date of collection, the following table illustrates where each country stands in terms of price data collection. As the table shows, 7 out of 12 countries collected price data for the HHC price survey for the first quarter and their price quotations covered all the basic headings. However, for the second quarter of 2011, only 2 of the countries (Bahrain and Saudi Arabia) did not collect price data for HHC price survey, whereas Bahrain will send CPI data for the second quarter and Yemen has collected data only for one out of 10 governorates. Regarding the third and fourth quarters, all 12 countries will be collecting price data for the HHC price survey. Unfortunately, Lebanon and Syria withdrew from participation in the 2011 round of the ICP.

Reasons for the delay of countries in the collection of HHC price survey varied between administrative, funding and political obstacles which hindered the implementation of the national price surveys in due time.

The table below illustrates the countries' quarterly status of price data collection.

Country	1st Quarter	2nd Quarter	3rd and 4th quarters
Bahrain			√
Egypt	√	√	√
Iraq		√	√
Jordan	√	√	√
Kuwait		√	√
Lebanon			
Oman	√	√	√
Palestine	√	√	√
Qatar	√	√	√
Saudi Arabia			√
Sudan	√	√	√
Syria			
United Arab Emirates	√	√	√
Yemen		(Only 1 governorate)	√

Status of submission to ESCWA (Regional Coordinator RC):

Country	1st Quarter
Bahrain	
Egypt	
Iraq	
Jordan	√
Kuwait	
Lebanon	
Oman	√
Palestine	√
Qatar	√
Saudi Arabia	
Sudan	
Syria	
United Arab Emirates	√
Yemen	

Out of the 7 countries which collected data for the first quarter (Q1), 5 of them have submitted Q1 data. The remaining 2 (Egypt and Sudan) belong to both Africa and ESCWA regions and thus their data requires more time to be submitted to ESCWA in the required format.

For the second quarter (Q2) of 2011, ESCWA is expecting to receive Q2 data by mid September from all 10 countries which collected data, in addition to Egypt's and Sudan's data which is expected to be received from the World bank.

- Upon the data submission from each country to RC, ESCWA is conducting an additional intra-country validation process in order to review the national data, identify possible errors and data discrepancies and get back to the countries with feedback and recommendation for additional review and adjustment of data so it can be submitted again to ESCWA in a cleaner version.
- First and second quarter HHC data will be validated in the upcoming workshop which will take place on October 17 to 21.
- Submission to the Global Office will follow the inter-country validation process.

7.2 Other Price Surveys (Specific Surveys)

Regarding the other price surveys and the countries that have started collecting data for each survey:

- All countries are expected to be collecting data for housing (Rental) price survey and the submission to Regional Coordinator will be in the end of September.
- All countries will start collecting data for the education price survey in the end of December/start of January.
- Compensation of employees price survey will be conducted in 2012.

- Machinery and equipment list was sent to the countries in order to collect data for the third quarter of 2011.
- Construction and civil engineering price surveys list will be sent to countries once the Arabic version is finalized.

7.3 National Accounts activities

Regarding National Accounts (NA) activities, ESCWA is expecting to receive NA data at the aggregated level from all countries by mid September (7 out of 11 have submitted so far).

7.4 Overall risk assessment

Lebanon and Syria withdrew from participation in the 2011 round of the ICP due to political instability and conflicts. Bahrain, however, might face the risk of not participating at full GDP level because of administrative issues hindering the approval for implementing their national ICP survey.

The table below shows countries that have missed the first and/or second quarter data collection and the associated reasons.

Country	Reasons of missing data collection for Q1/Q2		
	Administrative	Funding	Political
Bahrain	√	√	
Iraq		√	
Kuwait	√	√	
Saudi Arabia	√		
Yemen		√	√

8 OECD - Eurostat

Price collection for the ICP global core list of products for household goods and services is embedded in the regular price surveys. By now, the surveys "House and Garden" and "Transportation, restaurants and hotels" are completed for the European countries (still under validation for the non European OECD countries), the survey "Services" is under validation and the survey "Health and furniture" is ongoing. By the end of 2011, prices for about 200 global core list products have been collected, the remainder (for "Food, drinks and tobacco" and "Personal appearance") to be collected in 2012.

The survey on equipment goods 2011 includes the pricing of a large subset of the ICP list for machinery and equipment – price collection and validation is ongoing. For construction, a number of volunteer countries will fill in the ICP questionnaire on material, equipment and labour input prices.

Eurostat will publish revised 2008, 2009 and 2010 PPPs in December 2011, following the regular production calendar.

The OECD will publish in December PPP revised times series for GDP, Actual Individual consumption, Household individual consumption integrating Eurostat annual results from 2008 to 2010.

9 Singleton Countries -- Georgia

Progress to date

The current situation with regard to price collection, intra-country validation, inter-country validation and expenditure weights is as follows:

- Both countries have completed the collection of prices for consumer goods and services for the first and second quarter of 2011 and price collection for the third quarter is underway. Some 1300 items are being priced and with, on average, between four to five outlets being visited for each item.
- The countries received the CIS list of equipment goods in May 2011 and not in early April as anticipated. This delayed the first of two price collections which were to take place in June and December 2011. Geostat started the first price collection at the end of July and expects to finish it by the end of September. The second price collection will be carried out in December as planned. Armstat started pricing in August which will continue until the end of December. Geostat and Armstat have agreed to price whatever they can on the CIS list and to match up what they have priced when price collection is concluded.
- Price collection for construction is proceeding as planned, namely: Armstat to collect prices of inputs monthly throughout 2011 as part of its regular statistical programme and Geostat to collect input prices in June and September 2011. Geostat has completed the June price collection. It has decided to reschedule the September price collection to December.
- Price collections for government services and for housing services will be carried out in September 2012 as scheduled.
- Intra-country validation of consumer prices collected in the first and second quarter of 2011 has been completed by both countries. Inter-country validation of consumer prices for the first quarter, which should have been completed by the end of May 2011, has not been completed. Geostat and Armstat decided it would be better to carry out the inter-country validation of the two quarters at the same time. Inter-country validation for both quarters will be completed by the end of October 2011.
- Geostat has delayed its intra-country validation of its first collection of construction prices planned for July 2011 by two months. It will be carried out in September and October 2011. The intra-country validation of its second collection of construction prices, now scheduled for December 2011, will take place in January 2012.
- Expenditure weights are available for 2008 (Armenia) and 2009 (Georgia). Provisional weights for Armenia for 2011 will be available in February 2012 and final weights in April 2013. Provisional weights for Georgia will be available in March 2012 and final weights in December 2012.