In the April issue of our newsletter, we reported that 145 countries — 98 from ICP regions and 47 from the OECD-Eurostat PPP Program — started collecting price data for the current ICP round. To confirm this count, we requested regional coordinators to report the number of countries that submitted first quarter price data. A country that reportedly started collecting data can be included in the regional and global comparisons only when they have submitted the relevant data for regional/global review and processing. Therefore, the count of countries that are truly on board will no longer refer to the start of price surveys but rather to the submission of data. The actual counts for the first quarter are shown in Chart “Price Survey Status By Region” on this page. Out of 141 countries actually on the fields, 127 have submitted data so far. Excluding OECD-Eurostat countries, the respective numbers are 94 and 80: (34/33) in Africa; (21/19) in Asia-Pacific; (10/10) in CIS; (17/14) in Latin America; (11/3) in Western Asia; as well as Georgia as a singleton country.

The tallies are reportedly higher in regions where some price data for the second quarter has been submitted. This is the case in Africa where 40 countries are collecting data, out of which 35 have submitted prices for at least 1 month between January and May 2011. The survey coverage varies depending on the country and the month. For instance, in January, 5 countries covered the capital city only, 2 covered the capital city and other urban locations only, whereas 25 countries had a national coverage. In March, these numbers changed to 4, 2 and 33 respectively. It is expected that for June, the African Development Bank will receive capital-only data from 4 countries, urban-only data from 5 and nationwide data from 37.

In the Asia Pacific region, countries were first required to identify available products and based on this countries were requested to design the survey framework - map the products to be priced by outlet type (wet market, supermarket, etc) and by...
Survey Implementation and Data Submission Status [Cont’d]

location (urban/rural/capital/village etc.) at the outset. This structure is maintained for each of the four quarters. Bangladesh and Brunei have not collected any prices in the first quarter.

In Latin America, 14 countries submitted data for the first quarter which were validated during the first validation workshop held from May 16-19, 2011 in Santiago, Chile. This number is likely to increase to 17 for the second quarter.

In Western Asia, the number of countries that submitted data has slowly increased from 1 in January to 3 in March. Bahrain started in April in urban areas, but stopped in May because of security issues. Egypt and Sudan have been collecting prices in urban and rural areas, under the Africa and Western Asia programs, but they are yet to proceed with data entry. It is expected that the number of countries submitting data will increase significantly when Jordan, Oman, Palestine and the United Arab Emirates have completed their data entry. Syria and Yemen have not collected data yet due to internal security and funding problems.

Operational Materials

The Global Office prepared and provided Regional Coordinators with guidelines, survey questionnaires, and operational materials for the surveys on Fast Evolving Technology Products, Construction and Civil Engineering, Private Education, Compensation of Government Employees, Water tariff, as well as a revised version of the ICP-Kit.

Construction & Civil Engineering

Following the decision reached at the April TAG and the RC meetings, a detailed survey questionnaire and pricing guidelines were prepared which construction experts will use in ICP countries to conduct surveys between July and October 2011, with a view to reporting mid-year or annual average prices.

Private Education

On private education, the TAG/RC agreed that, irrespective of whether a new method would be decided for 2011, the 2005 method would also be implemented in parallel. The Global Office has updated the 2005 questionnaire on private education and developed the relevant pricing guidelines to be used in the ICP regions at the beginning of 2012 when the information on tuition fees for the calendar year 2011 is confirmed. Eurostat and OECD countries are not expected/required to implement the ICP 2005 methods for private education.

Water Tariff

A comprehensive questionnaire on water tariffs was designed to supplement the item specifications in the Global Core List and to help better validate the collected data. While the English version of the questionnaire was provided more than a year back, the French, Spanish, and Arabic versions have just been prepared to better assist the countries. In 2005, the data collected for water was not usable in many regions, and the then Global Office ended up using reference PPPs instead. For 2011, World Bank water experts were consulted who advised the global Office to use a new questionnaire to collect additional information that will help validate and understand better the data collected for water specifications included in the Global Core List.

Government Employees

Although the operational material for the survey on compensation of government employees was already provided to Regional Coordinators, in 2010, the questionnaire on Government expenditures was lately revised and sent to them. While the questionnaire on Government expenditures requires to be completed directly, countries that use the ICP-KIT may not need to complete the questionnaire as the ICP-KIT includes a COMPENSATION MODULE that is meant to capture and report the compensation of employees in a more user-friendly manner.

ICP-Kit

The ICP Global Office has enhanced a number of functionalities of the ICP-Kit Software based on requests received from users since the last release in February 2011.

Splitting GDP Expenditures

In addition to the above, the Global Office developed an EXCEL version of the template of the Model Report on Expenditure Statistics (MORES). The template was presented for the first time at the technical meeting between the Global Office and the Central Bank of Iran, in Ankara, Turkey on Sunday 19 June 2011, and used at hands-on sessions for national accountants at the 3rd regional workshop of ICP-Africa held in Pretoria, South Africa. A more automated version of the MORES as well as a country case are being developed and should be available by end of August 2011. Countries are expected to use the MORES to report their GDP expenditure data and metadata for a benchmark year (the latest year for which required data is available) and for the reference year 2011.

An abridged version of the ICP Quality Framework check list for National Accounts has also been prepared. It was completed by 30 African countries who also implemented a simplified version of the Eurostat Tabular Approach to Exhaustiveness. For now, both questionnaires are available in English and French.
Regional Activities

Africa

The 3rd ICP-Africa Regional Workshop was held in Pretoria, South Africa, from June 27 to July 1. The purpose of the workshop was to review and validate data collected during the first quarter of 2011 and to strengthen the organizational and methodological aspects of ICP 2011 Round in Africa. The workshop consisted of two parallel sessions: one on price data validation and the other on national accounts and ICP specific surveys with presentations and discussions on the validation methodology, ICP-Kit, and hands-on training sessions on data validation.

Asia

The Second Workshop on the Technical Evaluation of Household Price Survey Results was organized by the Asian Development Bank in Kathmandu, Nepal, on June 12-18, 2011. The main purpose of the workshop was to compare the prices collected under the household consumption survey during the first quarter of 2011 by the 23 countries participating in the Asia-Pacific region. The workshop also provided the national coordinators with details of the latest methodologies and operational aspects for the non-household components of the GDP.

Latin America

The First Price Validation Workshop for Household Consumption Items took place in Santiago from 16 to 19 May 2011, with the participation of representatives from 17 countries of the Latin American ICP region. In this meeting an assessment was made of the data collected during the 1st Quarter of 2011, bringing to light a number of issues which were resolved at the workshop or required further corrective measures such as: the re-organization of the regional coordination team; and the provision of training on the installation and use of the country module of the ICP-Kit.

Also, to better manage the process of building the regional list of household consumption items, UN-ECLAC has launched a Web tool in which every country in the Latin American and Caribbean region can review the product specifications and add or update information on the availability and importance of each item. The system also allows countries and international organizations participating in the 2011 Round to post comments, questions or suggestions regarding the specification of each product. The development of this system is a continuous process, and additional features such as product images and summary reports will be introduced in the near future.

Singleton Countries

Georgia

A meeting on data validation within the 2011 ICP was held in Tbilisi, Georgia, on June 6-8, 2011. In attendance were the Georgia and Armenia Statistical Offices and a global office consultant. The purpose of the meeting was to prepare and install the validation software for the Georgia-Armenia bilateral comparison for 2011 ICP. Inter-country validation tables were created for the consumer surveys collected by Georgia and Armenia during the first quarter of 2011. All 8 consumer surveys were covered, and preliminary PPPs were also calculated.

Iran

The Turkish Statistical Institute accepted a proposal to form a bilateral arrangement with the Central Bank of the Islamic Republic of Iran to include Iran in the 2011 ICP. A series of joint meetings were held in Ankara, Turkey, on June 20 – 25, 2011, with the representatives of the Turkish Statistical Institute, the Central Bank of the Islamic Republic of Iran and the Global Office delegation. The purpose of the meetings was to discuss various aspects related to linking Iran to the 2011 ICP through Turkey as a bridge country. The product list, the possibility of Turkey pricing additional items, and overall timeline of price data collection for household consumption were discussed. Also, prior to the meetings, on June 19, a pre-meeting session was held with Iranian delegates to discuss technical issues related to the National Accounts framework in ICP.

Eurostat Release of 2010 Results

In June, 2011, Eurostat released the first preliminary Gross Domestic Product (GDP) estimates as well as comparative price levels for 2010, covering its 37 member states. GDP estimates were expressed in Purchasing Power Standards (PPS), derived from dividing aggregates in national currency by the respective Purchasing Power Parities (PPP), while the results of the comparative price levels were provided in Price Level Indices (PLI) with the average of 27 EU Member States setting as 100. These price surveys are part of the Eurostat/OECD PPP Program, and covers 2,500 consumer goods and services across 37 European countries. The results indicates that Denmark is one of the expensive country, marking 43% higher than the average of the 27 EU Member States, while the former Yugoslav Republic of Macedonia price level was 56% than the average. On GDP sides, Luxembourg recorded the highest GDP per capita, 283% of the EU 27 average, while Bulgaria’s 43% was the lowest among the EU Member States. More detailed information on both GDP results and comparative price level indices can be obtained from the Eurostat website. (http://ec.europa.eu/eurostat)

GDP per capita (new release, first estimates for 2010):

Significant differences in consumer prices across Europe:

International Comparison Program (ICP)

Development Economics Data Group (DECDG)
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