

# **ICP AND THE ROLLING PRICE SURVEY APPROACH (RPSA)**

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**Country Operational Guidelines and Procedures Task Force,  
Washington DC, October 29 2019**

# **UNSC Recommendations to ICP**

- **Reduce interval between reference years from six to three years: most recent reference year 2017, next reference year 2020**
- **Adopt the RPSA which is specifically designed to increase frequency of comparisons while easing the response burden of participants**
- **Introduce RPSA during ICP 2020**

# Progress to date

- **Task of determining how to implement the recommendations given to the Taskforce for Country Operational Guidelines and Procedures**
- **Taskforce has met four times. Little or no discussion of the papers presented on the RPSA (*the voice of one crying in the wilderness*)**
- **Fourth meeting (May 2019) concluded that it was too late to implement the RPSA in ICP 2020**
- **Proposed postponing implementation until ICP 2023. Even so preparation would have to commence during ICP 2020**

# Regions and ICP 2020

- **Three of the six regions intend to apply the standard benchmark approach (SBA). LAC and EU-OECD will employ the RPSA. W-Asia is moving to annual pricing of all goods and services**
- **With SBA, consumer goods and services priced each quarter of the reference year. Other goods and services priced either in the reference year or retrospectively in the following year**
- **All regions, except EU-OECD and W-Asia, used the SBA for ICP 2017. In Africa, Asia and LAC there was slippage. Prices for consumer items were collected in 2018 as well as 2017. The 2018 prices were retropolated to 2017**

# Implementation by stealth

- **Past experience suggests that slippage will be almost inevitable in ICP 2020. It will differ from region to region as will the TACs used for retropolation**
- **Proposed that slippage be formalised to foster the uniform use of TACs. Regions employing the SBA in ICP 2020 should be encouraged to collect prices of consumer items in Q3 and Q4 2020 and Q1 and Q2 2021. Prices collected in 2021 retropolated to 2020**

# ICP 2023

- **Implementation of RPSA in ICP 2023 will have to start in the first half of 2021 when regions are engaged in price collection or inter-region validation for ICP 2020**
- **Before beginning, either all regions will have agreed to implement the RPSA or agreement will have been reached on how regions employing different approaches will work together to produce the global comparison**
- **Agreement will also have been reached on:**
  - **The division of HFCE into three equal parts**
  - **The year in the survey cycle each part is to be surveyed**
  - **The matching of basic headings and TACs**
  - **Draft regional and global timetables**

# Sotto voce

- **Given that the global comparison requires all regions to adopt the RPSA in order to facilitate inter-region validation**
- **Given that the CPIs of many countries do not have the depth of data needed to construct a TAC specific to each basic heading**
- **Should the ICP be adopting the RPSA in the immediate future?**
- **Instead, should it not be considered a long-term objective to be introduced gradually allowing regions to grow into it?**

**Now it is over to you**