



UNITED NATIONS

الاستقرار

ESCWA

Shared Prosperity **Dignified Life**



Status of Regional Activities and Risks

IACG Meeting

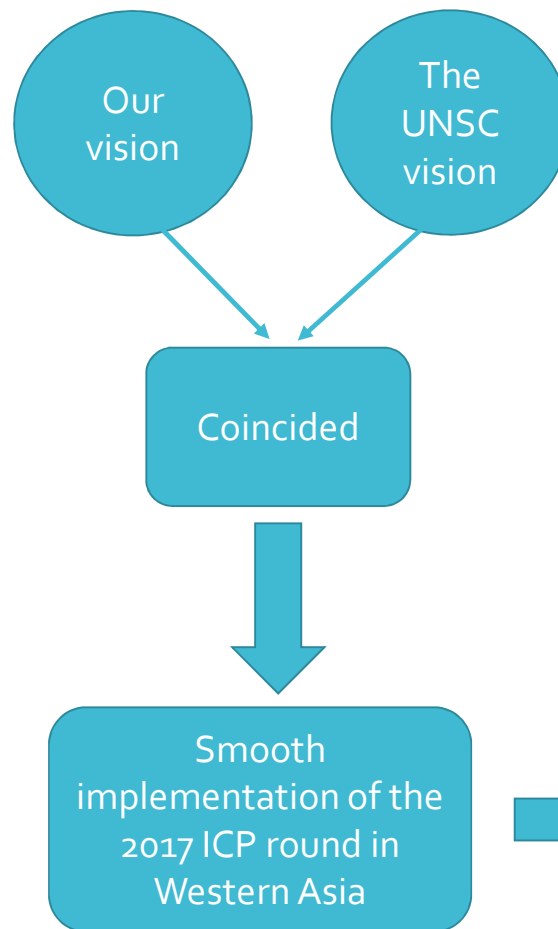
23 – 25 October 2019

Washington, DC



Summary of the 2017 ICP Cycle in Western Asia



Summary of the 2017 ICP Cycle in Western Asia



Went ahead of the rolling survey approach and conducted:

- Actual annual collection of special surveys
- Actual annual collection of Fast Evolving Technology item prices
- Actual annual collection of energy, transport and communication item prices
- Extrapolation of the remaining HHC data from 2016, which is getting smaller with the increased integration efforts

Western Asia's Strategy

WESTERN ASIA's STRATEGY			
	2016	2017	2018
Household Consumption (H)	H*		
Private Education	E	E	E
Housing Rentals (R) and Volume (V)	R	R	R & V(2017)
Government Compensation (G)	G	G	G
Machinery (M) and Construction (C)	M & C	M & C	M & C
National Account Expenditures	E	E	E
CPIs, Deflators, Population and XRs	X	X	X

Price data for Fast Evolving Technology items collected annually.

Price data for following BHs collected annually: water supply, electricity, gas, other fuels, passenger transport by railway/by road/by air, postal services, and telephone and telefax services .

Some countries are collecting actual data annually for all HHC items.

Summary of the 2017 ICP Cycle in Western Asia (cont'd)

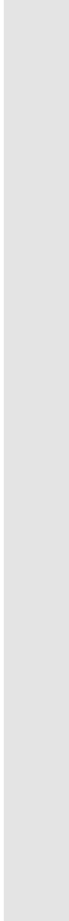

The 2017 round in Western Asia came as a complement to the 2016 regional PPP production round which aimed to produce results for 2014-2015-2016-2017

Western Asia conducted a temporal price validation between the years 2011 to 2016, which showed some discrepancies between 2011-2012-2013 from one side and 2014-2015-2016 from the other

Prices were reviewed, expenditures were updated to reflect the latest estimations, and the updated 2017 classification was adopted for the entire period 2011 to 2017

Within the frame of the 2017 ICP round, Western Asia revised the entire time series and worked on the production of a full time series of PPPs extending from 2011 to 2017

The preliminary 2011 to 2017 ICP results have been computed and the final results will be produced after the IACG meeting



Overview of the Preliminary Results



Innovative Initiatives



Building Repository
of Data



New opportunities to
invest built capacities



Development of the
entire price statistics
area in the region

Annual PPP production

Sub-national PPPs

HCPI

Newly developed initiatives will
be unveiled in the next slides

Innovative Initiatives

Innovative Initiatives – Harmonized M&E Index

1. Harmonized Machinery and Equipment Price Index

Western Asia collects actual M&E prices annually

A repository of M&E data is now available

A new harmonized index is being developed, to start at 2017=100

Benefits of the index

Comparison of the general change in M&E prices between countries

Computation of a regional M&E price index

Development of national price statistics by increasing the statistical output

Further integration of the ICP with the national statistical work programs

With the M&E index becoming a national index, data collection will be easier and synchronized for the national index and the ICP without additional burden

Use of the M&E index for different purposes at the national level, as it will shed the light on the cost of gross capital formation and investment

Potential use of the index in national accounts as a deflator for GFCF

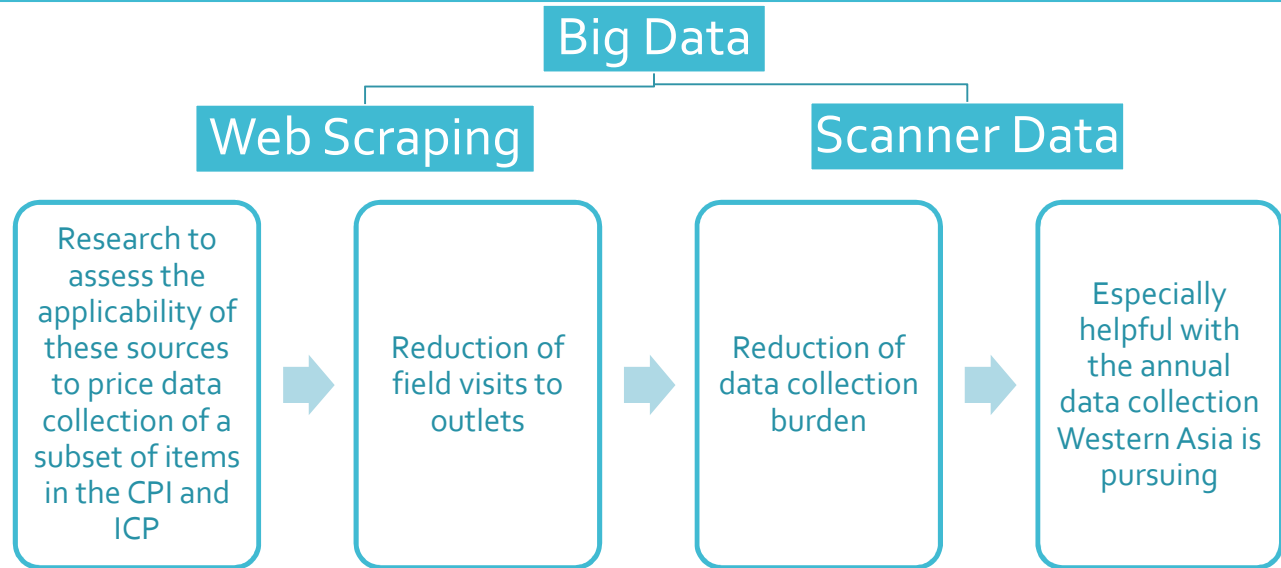
Innovative
Initiatives –
Harmonized
M&E Index
(cont'd)

However, the development of the Harmonized M&E Price Index has challenges

We are working on a strategy to treat the challenges which we will face

That is why the index computation will start with 2017 as base year, although we have data from 2011, in order to control for certain variables

2. Use of Technology and Big Data Sources in Price Data Collection



Currently undertaking additional research and performing trials to check the viability of such sources in the Arab region



If the outcome is positive, ESCWA will start working with pilot countries

Innovative Initiatives – Technological Applications



Outreach Activities

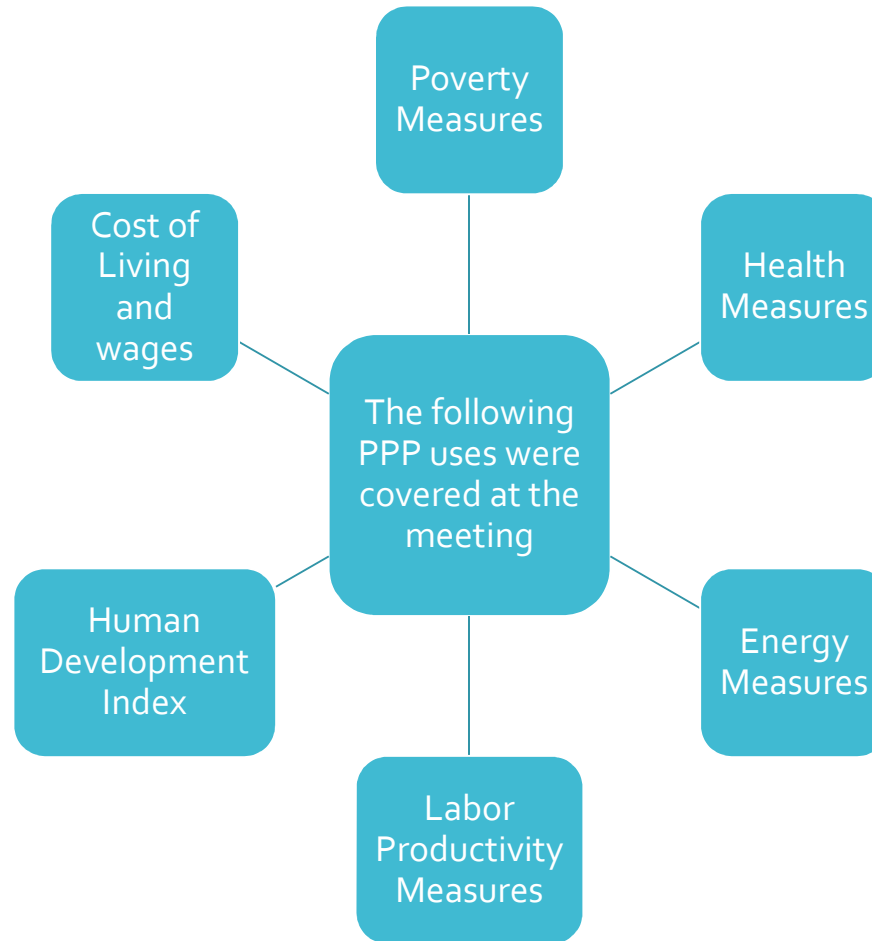
Outreach Activities – Uses of PPPs

Taking the opportunity to increase awareness on the importance of the program's output

A whole day in the last workshop was dedicated for exploration of the use of PPPs in multiple indicators, especially those related to the SDGs

Every 2 countries researched one PPP use comprehensively and presented their findings, transferring the knowledge to the other countries

Outreach Activities – Uses of PPPs (cont'd)



Outreach Activities – Online PPP Converter

We have been working on the development of a new online interactive and analytical tool which

Uses most recent ICP results for the period extending from 2011 to 2017

Provides PPP conversion for the different levels of GDP aggregates

Clarifies the findings through a description making it easy for a wide range of audience and users to understand and utilize the results

The online PPP converter includes regional results only, however it will incorporate global results and conversion to international 2017 Dollars after the results are computed



Preparations for the 2020 ICP Cycle

2020 Global ICP Cycle

In Western Asia, data collection is now part of the routine, the implementation of the 2020 cycle will be smooth

Household Consumption:
-Actual HHC data collection in 2020
-Actual + Extrapolation in 2021
-Actual + Retrapolation in 2019 & 2018

National Accounts will also be estimated in 2018, 2019, 2020 and 2021 using MORES

Special surveys and FET:
-Actual data collection will be conducted annually for the years 2018, 2019, 2020 and 2021

Preparations for the 2020 ICP Cycle - HHC

Preparations for the 2020 ICP cycle started since April 2019



Worked on increasing the overlap between the regional ICP list and national CPI lists by:

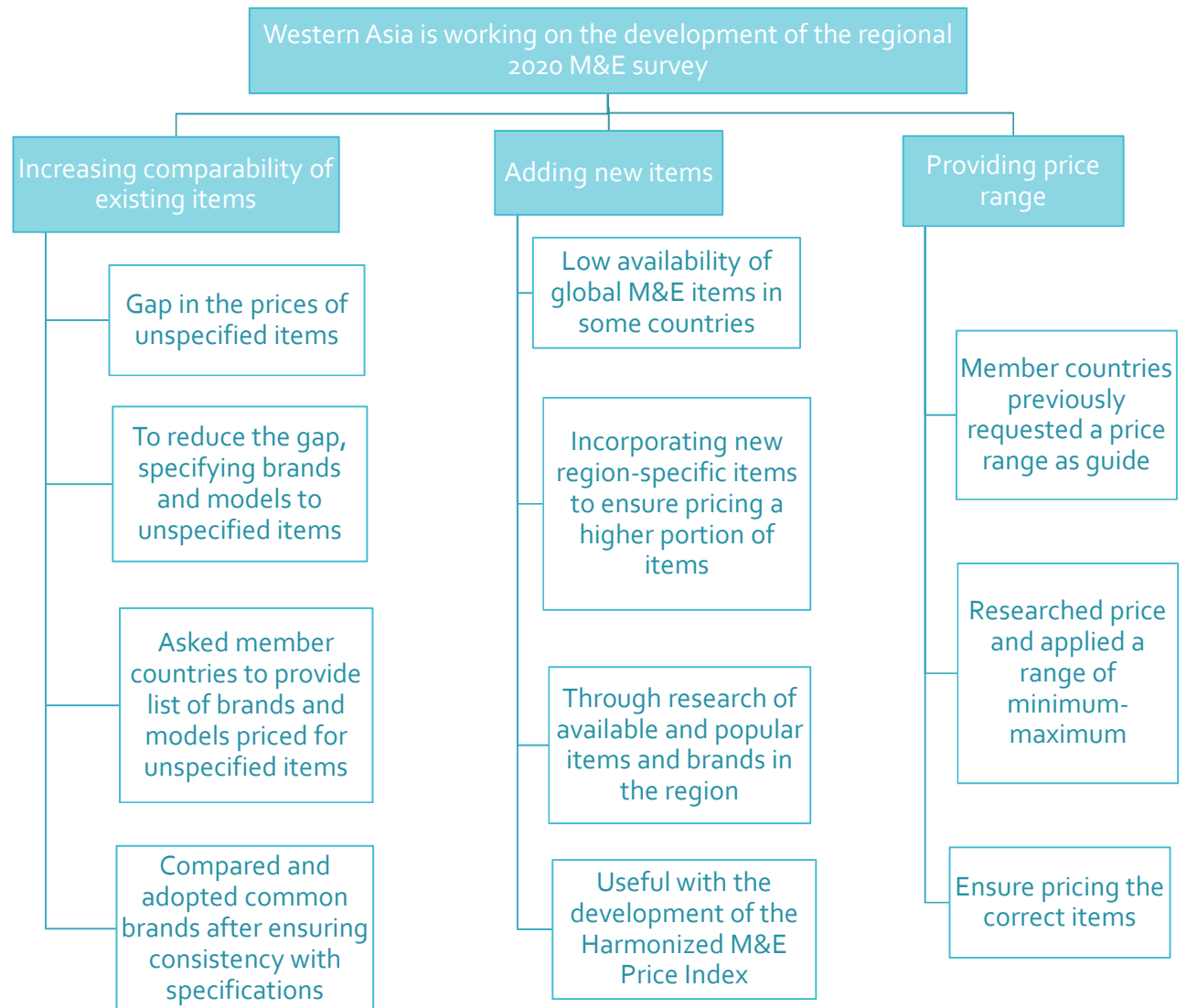
- Looking at items with low overlap and updating specifications to increase overlap
- Adding new items to the regional list

Workshop in September for 2020 cycle preparations



- 2020 HHC GCL was comprehensively examined and reviewed
- Suggestions were noted
- National importance and availability were noted
- All special surveys were reviewed

Preparations for the 2020 ICP Cycle – M&E





Overall Regional Risks

Overall Regional Risks

Challenges

- 1 Geopolitical challenges– some countries not able to participate in ICP in Western Asia, such as Yemen, Libya and Syria
- 2 Inability of some countries to collect surveys in English
- 3 Change in national ICP teams posing a challenge to continuity and quality of participation
- 4 Lack of continuous regular funding

Solutions

- Strategy for including these countries in the ICP and enlarging the participation in the 2020 round
- Translation and illustrative catalogues ensuring collection of accurate data
- Ensuring the involvement of different representatives in each country, encouraging transfer of knowledge, continuous training workshops and country visits
- Acquiring project-specific grants

Thank you!