



European  
Commission



# ICP 2021 - Eurostat/OECD update

**IACG virtual meeting  
8-9 June 2022**

# 1. Country participation

- 49 countries in the Eurostat-OECD PPP Programme
- United Kingdom now contributing via the OECD
- For ICP 2021, Georgia and Ukraine are linked to the global comparison via Eurostat

**Eurostat (36 countries)**

<b>27 EU countries</b>	Hungary	Spain
Austria	Ireland	Sweden
Belgium	Italy	
Bulgaria	Latvia	<b>9 Non-EU countries</b>
Croatia	Lithuania	Albania
Cyprus	Luxembourg	Bosnia and Herzegovina
Czech Republic	Malta	Iceland
Denmark	Netherlands	Macedonia
Estonia	Poland	Montenegro
Finland	Portugal	Norway
France	Romania	Republic of Serbia
Germany	Slovak Republic	Switzerland
Greece	Slovenia	Turkey

**OECD (13 countries)**

<b>12 OECD countries</b>	<b>1 Non-OECD country</b>
Australia	Russian Federation
Canada	
Chile	
Colombia	
Costa Rica	
Israel	
Japan	
Korea	
Mexico	
New Zealand	
United Kingdom	
United States	

Shaded blue: OECD member countries

## 2. Survey implementation status

- The ICP 2021 cycle is integrated into the regular Eurostat-OECD PPP rolling survey Programme

## 2a. Consumer goods and services

- 6 surveys (2 per year):
  - 2020 – Services / Furniture and health
  - 2021 – Food, drinks and tobacco / Personal appearance
  - 2022 – House and garden / Transport, restaurants, hotels
- Inclusion/indication of ICP items in the regular surveys:
  - About 25% of Eurostat-OECD list
  - Highest share – almost 35% - in Food, drinks and tobacco survey
- Countries are encouraged to price ICP items, even if some are not considered important in certain markets

## 2b. Equipment goods

- 2 different surveys for European and non-European countries
- Countries coordinated by the **OECD**: price collection done in 2020, validation now completed
- Countries coordinated by **Eurostat**: price collection in Q2 2021, validation now completed
- Data validation for **Georgia and Ukraine** followed broadly the same calendar as for Eurostat countries.

## 2c. Construction

- Specific ICP construction survey (collection of prices for a list of materials, labour, equipment hire and support information)
- 11 countries coordinated by Eurostat + GEO/UKR filling in this survey. Validation completed and data sent
- 2 countries coordinated by the OECD filling in this survey: United States and Russia

US data validated and ready for transmission

Russian data was expected for Q2 2022

## 2d. data transmission

- First data transmission in March 2022
  - Revised 2017 BH and AH PPPs
  - Construction prices
- PPP estimation status (2021 and revised 2017...)
  - 2017 results for EUO finalized in 2020 (incl. GE, UA)
  - 2021 estimates for EUO to be released in June 2022

# 3. Workshops and meetings

- EU PPP Working Group held in November 2021.
- Eurostat Country meetings for consumer goods surveys held in mid-March 2022.
- Eurostat Workshop on transaction data for PPPs held on 11 May 2022.



## 4. Outreach/announcements

- 23 March 2022: GDP PPP flash estimates for 2021 released by Eurostat for the EU27 Member States (based on full use of latest available price data)
- 24 March 2022: Set of available GDP PPPs for 2021 extended to all countries coordinated by the OECD (based on extrapolation of 2020 PPPs with GDP deflator)
- June 2022: Updated GDP PPPs for 2021, as well as PPPs for HFC and AIC, available for the EU36 and all countries coordinated by the OECD.
- End 2022: New Eurostat-OECD Methodological Manual on PPPs available. 2012 Manual currently being updated.

# 5. Risks - Country participation

- The European Council condemned Russia's military aggression against Ukraine and the involvement of Belarus in this aggression
- The European Council also agreed on restrictive measures regarding EU engagement with Russia or Belarus
- European Commission has stopped bilateral and multilateral contacts with these two countries
- Russia was disinvited to PPP Country Meetings
- Risks for Ukraine's participation in ICP

# 5. Risks – Ukraine

- The intention is to complete the 2021 round on time. Certain adaptations to the original plan will be necessary
- Consumer good surveys 2019-2020-2021 have been completed. 2022 surveys will not be carried out; extrapolations from 2019 to be used instead
- Capital good surveys 2021 have been completed
- Annual surveys (e.g. dwelling stock, salaries, education) to be submitted end 2022 and end 2023
- Input price approach to be used for hospitals
- GDP breakdown for 2021 to be submitted end 2022 and end 2023
- CPI data for 2021 to be received around now

# 5. Risks - Country participation

The OECD Council condemns the large scale aggression by Russia against Ukraine.

- **Among other actions, all participation of Russia and Belarus in OECD bodies is suspended**
- **Since the war started, the OECD has not received any data from Russia for the PPP Programme.**

The detailed CPIs that would be needed to compile provisional 2021 PPPs in June 2022 are not even available online.

- **Despite that, the OECD will continue releasing GDP and consumption PPPs for Russia on the OECD.Stat website.**

This will be done by extrapolating the 2020 PPPs that were calculated in December 2021 using the GDP deflator for the GDP PPP and the headline CPI (the only one that remains available) for the two consumption PPPs.

We will only rely on extrapolations up until the publication of ICP 2021, at the end of 2023. We will include caveats in our metadata and inform the other countries participating in our PPP Programme.

- **As discussed at the Governing Board meeting in March, it would be recommended that the World Bank reaches out to CIS STAT to confirm that they continue to receive Russian data and discuss with them a new way to link the CIS region to the rest of the world for the ICP exercise**

**Thank you!**