

Alternative Options for PPP Computation Procedures



Inter Agency Coordination Group meeting

October 20 - 24, 2025

Washington, DC

Purpose of the Session

The aim of this session is to showcase an approach for the computation of PPPs based on an ad-hoc STATA package and discuss its potential application in regional workflows.

Outline

- 1. Programmatic approach and its benefits and features**
- 2. Demonstration**
- 3. Future developments and discussion**

1. Programmatic Approach and its Benefits and Features

Script-base Approach to Computing PPPs

What is a programmatic approach

- Use of scripts to transform data and compute estimates.
- Steps are explicit, repeatable, and can be run end-to-end on new or updated data.

Benefits of a programmatic approach

- Reproducibility and auditability (version control, logs).
- Flexibility for scenario testing and simulations.
- Integration in data management and storage solutions.
- Scalability to different datasets
- Automation reduces human error and effort over time.
- Easier peer review and governance.

Global use case for Programmatic Approach

- For ICP 2017, prof. Inklaar developed a computational flow for global benchmark and time series PPP computation based on STATA scripts.
- Updated to reflect methodological changes of ICP 2021, including improvements to data processing and computational efficiencies
- 18 modules, reflecting the ICP global computational steps.
- Integrated seamlessly into automated data pipeline.
- Computationally efficient (can run on virtual machines)
- Used for scenario simulation and ad-hoc changes.
- Programming language accessible, documented and transparent.

STATA package
Global PPPs
Computation

2. Demonstration

3. Future Developments and Discussion

- GO can develop specific regional computations package as required.
- Vision for: Surveys
 - i. **Survey solutions:** Data collection
 - i. Note: in place for PAS
 - ii. **STATA scripts** to read and extract Survey Solution data
 - i. Note: in place for PAS
- Vision for: ICP lifecycle
 - i. **Eurostat/Agilis platform:** Item list management, data entry, validation, PPP calculation
 - i. Note: piloted by UN-ESWA and UN-ECLAC
- Vision for alternative options
 - **STATA scripts:** Computation of regional PPP estimates
 - **STATA scripts:** Testing and research
- **Q: What type of future development regions would like to see in terms of computational support?**

Future Developments and Discussion

Thank you!

