



ICP 2021 - Eurostat/OECD update

**IACG meeting
24-28 October 2022**

1. Country participation

- 48 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)

27 EU countries	Hungary	Spain
Austria	Ireland	Sweden
Belgium	Italy	
Bulgaria	Latvia	9 Non-EU countries
Croatia	Lithuania	Alvania
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	Türkyie

OECD (12 countries)

12 OECD countries
Australia
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- Eurostat

- 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

2.a Consumer goods and services surveys - OECD

- Same structure as Eurostat:
 - 6 surveys – 2/year:
 - Inclusion/indication of ICP items in the regular surveys
 - Non-European countries are also encouraged to price ICP items
- But different timetable:
 - 2020 – Transport, restaurants, hotels; Services;
 - 2021 – Furniture and health; Food, drinks and tobacco
 - 2022 – Personal appearance; House and garden;

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
- 1 country coordinated by the OECD filling in this survey: United States (Russia used to report this questionnaire)

2d. data transmission

- First data transmission in March 2022
 - Revised 2017 BH and AH PPPs
 - Construction prices
- Second data transmission in July 2022
 - 2021 prices for HHC (as well as availability and importance) for the 48 countries of the Eurostat-OECD programme
- Third data transmission in October 2022
 - 2018 BH and AH PPPs
 - Machinery and equipment PPPs/prices
- PPP estimation status (2021)
 - 2021 preliminary estimates for EUO to be released in December 2022

3. Workshops and meetings

- Eurostat Workshop on transaction data for PPPs held on 11 May 2022.
- Eurostat Country meetings for the consumer goods surveys held in Helsinki in September 2022.
- Next EU PPP Working Group in November 2022.
- Eurostat Country meetings for the consumer goods surveys to be held in Den Haag in March 2023.
- Eurostat/OECD PPP Workshop in Paris in May 2023.
- Non-European PPP meeting – OECD in Paris in May 2023.

4. Outreach/announcements

- December 2022: Updated GDP PPPs for 2019, 2020 and 2021, as well as PPPs for HFC and AIC, available for the EU36 and all countries coordinated by the OECD.
- 23 March 2023: GDP PPP flash estimates for 2022 released by Eurostat for the EU27 Member States (based on full use of latest available price data)
- End March 2023: GDP PPP for 2022 for all OECD countries.
- New Eurostat-OECD Methodological Manual on PPPs will be available.
- First proposal available of the new revised BHs list according to the new COICOP 2018

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 have been completed

5. Risks - Country participation

- The OECD Council condemns the large scale aggression by Russia against Ukraine and all participation of Russia and Belarus in OECD bodies is suspended.
- Russia will not be included in the Eurostat/OECD PPP calculations in December 2022 (reference years 2019-2021).
- The OECD will continue releasing PPPs for Russia on the OECD.Stat website by extrapolating the 2020 PPPs that were calculated in December 2021.
- The OECD will only rely on extrapolations up until publication of ICP 2021 figures, at the end of 2023.

Thank you!