

Roles of the Joint UNECE/ILO Meetings, the Ottawa Group and the IWGPS

The Joint UNECE/ILO Meetings on CPI

The *Joint UNECE/ILO CPI Meetings* provide a unique opportunity for national experts to exchange views and experiences in the field of price statistics and to identify good practices. The joint meetings are the only intergovernmental meetings on CPIs at a broader geographical level than the EU, and they also offer an important forum for the IWGPS for discussion of CPI related issues.

The joint meetings report to the Bureau and the Conference of European Statisticians.

The meetings focus on issues that are directly relevant for the compilation of CPIs in national statistical offices. The meetings discuss all steps of the compilation process, i.e. collection, processing and dissemination of data, including also resource and organisational issues. The meetings are usually held every second year.

The meetings aim to discuss and make recommendations on good practises that can be implemented by the statistical offices. The agenda is demand driven in the way that the Organizing Committee decides the future agenda items on the basis of proposals from the country representatives at the joint meetings.

The joint meetings have been an important forum for the work on the international CPI Manual published in 2004, and for providing feedback from countries for the revision of the electronic version of the manual.

In addition to the substantial topics discussed at the meetings, IMF, ILO, the IWGPS and OECD and Eurostat provide reports on activities and initiatives. This helps to ensure that the joint meeting and the country representatives are informed about the international activities on consumer price indices.

The joint CPI meetings are attended by 80-100 participants. In addition to the experts from national statistical offices of UNECE member countries, on the invitation of the ILO, the meeting is also attended by representatives from NSOs in Asia, the Arabic speaking world, Africa and South America. Experts from other international organisations (IMF, OECD, ILO and Eurostat) also attend the meetings, as do representatives from central banks, for example ECB, representing a main user perspective. Members of the Ottawa Group and the IWGPS also attend the meetings.

The joint meetings thus also provide a forum for information of the IWGPS and other international organisations about activities, problems and needs in the compilation of CPIs in statistical offices. Reports and recommendations of the joint meetings as well as proposals for future agendas are submitted to the IWGPS.

The previous meeting in May 2006 discussed the following topics: System of price indices, structured product descriptions, core inflation measurement, target indices of the CPI, measurement problems in emerging economies, and the CPI Manual. The proceedings of the meeting (agenda, report of the meeting and the discussed papers) are available on www.unece.org/stats/documents/2006.05.cpi.htm

The Ottawa Group

The UN International Working Group on Price Indices, *The Ottawa Group*, was established in 1994 to provide a forum for specialists to share their experiences and discuss research on crucial problems of measuring price change. Without avoiding theoretical issues, the focus of the Group is on applied research, particularly, though not exclusively, in the area of consumer price indices. Participants are specialists and practitioners who work for, or are advisors to, statistical agencies in different countries, or international organisations.

The Ottawa Group reports to the UNSC.

The Group aims to meet every 18 months. The meetings are usually attended by 20-30 participants from statistical offices and international organizations. The presentation of a paper is usually, but not always, required to participate in the meetings.

The agenda is agreed by the Steering Committee, which at present consists of representatives from NSOs of Canada, UK, Australia, the Netherlands and Switzerland (who will host the meeting after the meeting in October 2007).

The Ottawa Group has played an important role in the theoretical and methodological development of price indices the last decade, and, for example, the international CPI and PPI manuals published in 2004 benefited much from work in this Group. It brings together worlds leading experts in price statistics with practitioners from national statistical offices, which provides a unique opportunity for discussing problems associated with implementation of the recommendations in practice. Practical problems, for example caused by resource shortage, lack of reliable data sources or time constraints, are also brought to the attention of the 'theorists' for clarification or recommendations.

Representatives of international organisations usually also participate in the Ottawa Group meetings. This helps to ensure that these are up-to date with the latest development in the area of price indices.

For each meeting in the Ottawa Group a summary, including possible conclusions and recommendations, and presented papers are available through the Group's web page www.ottawagroup.org.

The Ottawa Group will have its 10th meeting in October 2007, hosted by Statistics Canada. The main topics will be the treatment of insurance and financial services; telecommunications, television and Internet services; health care services; measuring the statistical quality of indices; coherence and integration of price indices; new goods and services; and other topics.

The previous meeting was held in London in May 2006, hosted by the ONS. The meeting discussed the following topics: Families of indices, housing costs, services, healthcare, measuring quality changes, measuring the statistical quality of indices, and other issues.

The Intersecretariat Working Group on Price Statistics (IWGPS)

Based on the recommendation of the Joint UNECE/ILO meeting on CPIs and at the invitation of the ILO Bureau of Statistics, the Intersecretariat Working Group on Price Statistics, IWGPS, was established in 1998 to coordinate work to develop the international standards on price statistics.

The IWGPS reports to the UNSC.

According to the original terms of reference of the IWGPS (which are available on <http://www.ilo.org/public/english/bureau/stat/guides/cpi/index.htm>) the group should work to develop and establish international manuals on consumer price indices (CPIs) and other price statistics, in particular producer price indices (PPIs) and international trade price indices. The group should also assist in the development of a framework for price statistics, which is able to explain the links between various price indices themselves and between price indices and other relevant economic and labour statistics.

The terms of reference were revised in 2005 to take into account the development of work since 1998. The objectives of the IWGPS in the revised terms of reference are:

- a) To develop and implement the CPI and PPI manuals, including revising the electronic versions of the manuals.
- b) To arrange for the establishment of standards and manuals for other price statistics, in particular export and import price indices (XMPI) and real-estate price indices.
- c) To coordinate the work of international organizations in implementing best practices, in sharing information on training and technical assistance and in avoiding duplication of work.
- d) To assist in the development of a framework for price statistics which is able to explain the links between various price indices themselves and between price indices and other relevant economic and labour statistics.

The report of the IWGPS to the UNSC session in March 2007, including the terms of reference, is attached in ANNEX 2.

The IWGPS comprises the following organisations: IMF, UNECE, ILO, OECD, Eurostat and the World Bank. The group may invite experts to participate in its work. Experts from Australia, USA, UK, the Netherlands and Canada participated in the latest meeting of the Group in May 2006 back-to-back with the Joint CPI Meeting in Geneva, and are expected also to participate in the next meeting in October 2007.

The IWGPS will have its next meeting in conjunction with the Ottawa Group meeting in October 2007. The preliminary agenda includes the following issues:

1. Revision of the CPI Manual
2. Revision of the PPI Manual
3. The new XMPI Manual
4. The work on the Supplementary Handbook: Practical Guide to Compiling Consumer Price Indices

5. The Manual/Handbook on Real Estate Price Indices (OECD)
6. Implementation and promotion of the CPI and PPI Manuals
7. Report from UNECE/ILO on the planned Joint CPI Meeting in 2008
8. Coordination of training activities and training materials on price indices
9. Core inflation; the possibility of developing the IMF working paper on core inflation measurement to a practical/supplementary handbook
10. Review of the TOR of the IWGPS

A considerable amount of work has been devoted to the production of the XMPI Manual, expected to be published late this year or early next year. Many of the experts engaged in this work will also be involved in the work to revise the electronic versions of the CPI and PPI Manuals. Although some initial reviewing has been undertaken (errors located etc.) the electronic versions of the two manuals have not yet been revised.

UK/ONS will be the main contributor and editor of the Supplementary Handbook: Practical Guide to Compiling Consumer Price Indices, targeted at developing countries. OECD will be the main contributor and editor of the Manual/Handbook on Real Estate Price Indices. Both publications will be compiled under the auspice of the IWGPS who will also approve the final versions before publications. The IWGPS will also approve the revisions of the CPI and PPI manuals.