

Meeting of the

**Inter secretariat Working Group
on Price Statistics
(IWGPS)**

17 January 2012

Teleconference

Minutes

Intersecretariat Working Group on Price Statistics

13th Meeting, 17 January 2012

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Draft Version 27 May 2012

Attendance

Institutional members

- Roberto Barcellan Eurostat - Chairman
- Mick Silver, Kimberly D. Zieschang International Monetary Fund
- Valentina Stoevska International Labour Organisation
- Peter van de Ven, Anne Sophie Friasse Organisation for Economic Cooperation and Development
- Carsten Bodsén United Nations – Economic Commission for Europe

Excused: World Bank.

Invited participants

- Christian Dembiermont Bank of International Settlements
- Daniela Schackis, Martin Eiglsperger European Central Bank
- Berthold Feldmann, Jarko Pasanen, Paolo Passerini Eurostat

0. Approval of the agenda – Approval of the minutes of the previous IWGPS meeting

The draft agenda was adopted without any changes (see Annex I).

The minutes of the IWGPS meeting held in Wellington, New Zealand, on 5 May 2011, as amended taking into account the suggestions provided by the IWGPS members, were approved.

1. Handbook on Residential Property Price Indices

Eurostat informed the participants about the progress towards the finalisation and release of the Residential Property Price Indices (RPPI) Handbook. The RPPI handbook had been finalised by the authors in summer 2011. Eurostat devoted the autumn to the final internal process of approval in order to proceed to the endorsement by the IWGPS.

The IWGPS members discussed the way for endorsing and releasing the Handbook according to an approach similar to the ones put in place for the endorsement of the CPI Manual, the Import-Export Price Indices Manual and the Production Price Indices Manual. The IWGPS members agreed to:

- a. provide additional comments to the manual to Eurostat by end February 2012;
- b. to give their feedback on the foreword to be prepared and circulated by Eurostat;
- c. to seek for the electronic signature at appropriate level for the foreword;
- d. to assess the possibility to associate the international organisation logos to the Handbook.

Eurostat announced the intention to proceed to a release of a hardcopy of the Handbook during 2012. UNECE expressed some concerns on the delay in the release that a hardcopy version of the handbook could imply.

The discussion developed towards RPPI **collection and compilation aspects**. Eurostat stressed the importance to start thinking about a Data Structure Definition (DSD) and harmonised international templates for the collection of RPPI data. OECD reported on the ongoing joint OECD-Eurostat-IMF experience on the setting up of the National Accounts and Balance of Payments DSDs. BIS underlined that their current collection of data is based on a DSD, but the data available at international level are quite disparate.

The discussion touched also upon the need for **guidelines to the compilation**, notably for non-European countries. The short technical manual prepared by Eurostat for the implementation at European level could be a good starting point. UNECE highlighted that the Handbook has a chapter on recommendations that could be further developed in this direction.

There was a general agreement among IWGPS members that the RPPI exercise should be harmonised and extended to non-European countries (e.g. mature and emerging countries), that the compilation should be based on guidelines inspired by the RPPI Handbook and that data should be accompanied by metadata to understand the differences among the available indices.

Action points:

- IWGPS members to provide further comments to the text of the Handbook (end February 2012);
- IWGPS to inquire on electronic signature and logos;
- Eurostat to circulate the foreword of the Handbook (end February 2012);
- IWGPS members to consider how to proceed for issuing the guidelines.

2. Commercial Property Price Indices

Eurostat and ECB informed about the preparation of the Conference on Commercial Property Price Indicators (CPPI) scheduled on 10-11 May 2012. A maximum of 150 participants had been foreseen for the participation. The approach to the conference is to select presentation from core experts covering data aspects, methodology and users' needs. Indeed, ECB and Eurostat already started to identify the relevant commercial providers, academicians and users (notably central banks). The BIS underlined the importance to alert the Irving-Fischer Committee.

The IWGPS members underlined how the conference should be intended as a kick-off meeting for the CPPI project, aimed to make the point on the state of the art, receive input from participants and follow-up in a similar way as it was done for the RPPI project. Roles should be attributed among the international organisations and the work should be conducted under the auspice of the IWGPS. The project should be accompanied by a concrete work-time plan.

Participants stressed how the methodological and practical issues in CPPI are much more challenging than in RPPI and the relevance of having a practical orientation in developing the project.

IWGPS members supported the approach proposed by Eurostat and ECB for setting up the conference, highlighted the similarities and possible synergies with the RPPI project and looked forward to the outcome of the conference.

Action points:

- Eurostat and ECB to keep IWGPS members informed about the preparation of the CPPI conference and of its outcome.

3. UNECE/ILO expert meeting – Geneva, 30 May-1 June 2012

UNECE and ILO briefly reported on the preparation of the Meeting of CPI experts to be held in Geneva on 30 May - 1 June 2012 and on the different topics to be covered in the meeting.

Action points: ---.

4. Co-ordination of technical assistance and training – Price experts

IMF briefly reported on technical assistance and training activities. The IWGPS members suggested that a light coordination of such activities among international organisations would avoid overlaps and synchronise efforts. The IWGPS members agreed to circulate an overview of ongoing and foreseen activities in this area and to discuss further the issue in the next meeting of the IWGPS.

Action points:

- IWGPS members to provide information on ongoing and foreseen activities in the area of technical assistance and training (April 2012).

5. Co-ordination of activities related to price statistics

The IWGPS had a first discussion on how to enhance the coordination of the activities related to price statistics and the involved groups (IWGPS, Ottawa Group, UNECE/ILO meeting of CPI experts, link to the Voorburg Group).

The Term of Reference (ToR) of the IWGPS states the responsibility and roles of the IWGPS and its membership. OECD briefly illustrated how the ISWGNA works with its supporting Advisory Expert Group (AEG). UNECE reminded the recent (February 2010) revision of the ToR for the IWGPS and the increasing importance attributed to the coordination of different activities in the area of price statistics. In particular, UNECE highlighted the synergies created by inviting experts to the IWGPS meetings.

IWGPS members briefly explored the issues of the composition of the different support groups that the IWGPS should coordinate according to the ToR (e.g. the membership of the Ottawa Group).

The discussion will be further continued in the next meetings of the IWGPS.

Action points:

- Further discussion in the next IWGPS meeting.

6. Future work of the IWGPS

The IWGPS members reported on the future work in the area of price statistics:

- **BIS** informed the IWGPS members about the website on RPPI and CPPI;
- **OECD** informed the IWGPS members about the joint OECD-Eurostat project related to the update of the Services Producers Price Indices (SPPI) Guide;
- **IMF** reported on the translations in Spanish and French of the CPPI Manual and on the foreseen activities on training and technical assistance;
- **ILO** informed the IWGPS members about the activities related to technical assistance to countries, the data collection activities, and the interest on assessing the financial-food crisis (global estimates).

- **UNECE** illustrates the technical assistance activities, notably to Asian countries and ex-USSR;
- **ECB** informed the IWGPS on the work of combining the available information on RPPI, on the initiatives in the area of CPPI and on the effects in particular on forecasting activities of the introduction of the harmonised treatment of seasonal items in the HICP;
- **Eurostat** informed the IWGPS members about ongoing activities at EU level.

Action points: ---.

7. AOB

(a) Classifications (ILO)

ILO highlighted the opportunity offered by the work of the group on classifications for linking various classifications used for CPI purposes. The IWGPS should formally request to the classification group to discuss the issue of linkages in relation to CPI purposes and contact UNSD (Mr Backer). IMF underlined the good opportunity that this initiative offers in particular in relation to the link between ICP and COICOP (SPD incorporation).

(b) Price Index Processor Software – PIPS (UNECE)

PIPS is a software originally developed by the IMF and subsequently supported by the UNECE, downloadable from the UNECE website. Ireland recently contributed to the maintenance of the software. PIPS is used by around 20 countries in central America and Africa. Some statistical offices asked for of a user meeting to be held aside the Meeting of CPI experts in Geneva. Some interest in using the software in other than CPI areas (e.g. PPI) has been manifested by other countries.

The major issue with PIPS is the future maintenance. UNECE cannot ensure it and there is a concrete risk of having a "no ownership" situation. Some IWGPS suggested that the PIPS user community should take over the responsibility.

The IWGPS decided to further discuss PIPS in its next meeting.

Action points:

- Further discussion in the next IWGPS meeting.

(c) Next meeting of the IWGPS (Chair)

The IWGPS agreed to hold the next meeting aside the Meeting of CPI experts in Geneva, on 1 June 2012. The Chair will assess the opportunity to have a teleconference if needed before the Geneva meeting on the progress of the release of the RPPI Handbook and on the organisation of the CPPI conference.

Actions points:

- IWGPS Chair to call the meeting(s) of the IWGPS and to circulate the related agenda(s).

Annex I: Agenda

IWGPS | Inter-secretariat Working Group on Price Statistics

Inter-secretariat Working Group on Price Statistics

Meeting, 17 January 2012

Agenda

No.	Items	Responsible person/organisation
0.	Approval of the agenda – Approval and of the minutes of the previous IWGPS meeting <i>The IWGPS is called to approve the agenda of the meeting and the minutes of the previous meeting held in Wellington, New Zealand on 5 May 2011.</i>	Chair
1.	Handbook on Residential Property Price Indices <i>Eurostat will inform the IWGPS about the progress towards the release of the RPPI Handbook and the next steps for a formal endorsement by the IWGPS.</i>	Eurostat
2.	Commercial Property Price Indices <i>Progress towards the set up of the CPPI conference and brainstorming on how to approach the compilation of the CPPI Handbook</i>	Eurostat, IMF, ECB, BIS
3.	UNECE/ILO expert meeting – Geneva 30 May – 1 June 2012 <i>UNECE and ILO will inform the IWGPS about the forthcoming expert meeting.</i>	UNECE/ILO
4.	Coordination of technical assistance and training – Price experts <i>First discussion about possible ways to enhance the coordination of technical assistance and training in the field of price statistics.</i> <i>Discussion about initiatives and availability of price experts.</i>	IMF
5.	Coordination of activities related to price statistics <i>Brainstorming on how to enhance the coordination of the activities related to price statistics as well as among the involved groups (IWGPS, Ottawa Group, UNECE/ILO CPI meetings,...)</i>	Chair
6.	Future work of the IWGPS <i>IWGPS members will report on relevant ongoing and forthcoming activities and projects.</i>	IWGPS members
7.	AOB <i>- classifications (ILO)</i> <i>- Price Index Processor Software – PIPS (UNECE)</i> <i>- next meeting of the IWGPS (Chair)</i> <i>- other</i>	Chair, IWGPS members