

Intersecretariat Working Group on Price Statistics – Terms of Reference¹

Mission

1. The mission of the Intersecretariat Working Group on Price Statistics (IWGPS) is to develop international standards and recommendations in price statistics, document best practice guidelines and support their implementation. Price statistics include consumer price indices, producer price indices, export-import price indices, real estate price indices and such other price statistics as are required, preferably compatible with the 2008 System of National Accounts and updates thereto. The IWGPS reports to the United Nations Statistical Commission.

Objectives

2. The objectives of the IWGPS are:

(a) To develop manuals and handbooks with best practice guidelines on concepts and methods of price statistics and support their use. The procedures for production and publication of manuals and handbooks are included in Annex 1. The manuals and handbooks published or planned to be published under the auspices of the IWGPS are included in Annex 2.

(b) To develop guidance on best practices in order to improve the quality and international comparability of price statistics, and be proactive in addressing new and upcoming issues and express its view on the importance and priority of problems and issues in the field of price statistics.

(c) To coordinate the work of international organisations in implementing best practices in manuals or handbooks on price indices, in sharing information on training and technical assistance and in using resources efficiently to avoid duplication of efforts.

(d) To coordinate discussions of price index methodology at the international level, in particular in the Ottawa Group on Price Indices and the meetings of the Group of Experts on Consumer Price Indices jointly organised by the United Nations Economic Commission for Europe and the International Labour Organization, and to ensure the necessary linkages with other relevant work, such as the International Comparison Program (ICP) and the Voorburg Group on Services Statistics.

(e) To support the development of a framework for price statistics to explain the links between various price indices and between price indices and other relevant economic and labour statistics. One particularly important framework is the System of National Accounts, which provides an integrated and coherent system of economic statistics.

Members of the IWGPS and organisation of work

3. The IWGPS comprises the following international organisations:

- United Nations Economic Commission for Europe (UNECE)
- International Labour Organization (ILO)
- International Monetary Fund (IMF)
- Organisation for Economic Cooperation and Development (OECD)
- Statistical Office of the European Union (Eurostat)
- World Bank

¹ The Terms of Reference was endorsed by the United Nations Statistical Commission, February 2011.

4. The IWGPS is open to participation from interested and committed organisations; chairs of advisory groups on price index manuals and experts from national statistical offices, academia and international organisations. The group may invite these interested parties to participate in its meetings and in its work programme.

5. The chair and secretariat of the IWGPS rotate among the member organisations.¹

6. Meetings of the IWGPS will as far as possible take place at the same time as related scheduled events such as the meetings of the Group of Experts on Consumer Price Indices or the Ottawa Group meetings. The IWGPS will conduct virtual meetings, using e-mail correspondence or teleconferencing as needed.

7. Organisations participating in the IWGPS are expected to meet their own direct expenses. In addition, organisations are expected to contribute where possible to financing other related costs of the group, including the development of manuals and handbooks and the hiring of experts.

Activities and output

8. The IWGPS shall provide guidance by e.g. developing new and maintaining existing manuals or handbooks on price statistics. Manuals should contain comprehensive information and explanations for index compilation, including theoretical, conceptual and practical issues that statistical offices should take into account. Handbooks aim to provide more specific and practical guidance on index compilation in line with existing relevant manuals and emerging knowledge. The manuals and handbooks shall:

(a) Address both conceptual and operational issues such as sampling and data collection methods, aggregation formulas, treatment of quality changes and missing prices (temporarily, permanently and seasonal) and computation and dissemination of data and metadata.

(b) Be intended for use by both developed and developing countries.

(c) Be suitable for training and advisory missions.

9. In its guidance the Working Group shall take into account:

(a) The particular conditions in developing and transition economies and the movements towards free-market economies in many countries.

(b) The circumstances in financial markets in developed and developing economies.

(c) Technological changes affecting the cost and quality of goods and services, their relative prices, and changes in supply and demand.

10. The IWGPS may establish advisory groups or technical expert groups to provide guidance on the production and updating of manuals and handbooks.

¹ The ILO chaired the IWGPS from 1998 when the group was established. IMF chaired from April 2004 to February 2007. UNECE chaired from March 2007 to February 2011. Eurostat will chair the group from March 2011.

11. The IWGPS shall facilitate the sharing of information among member organisations on training plans and materials, technical assistance to countries on price indices and other activities the organisations undertake to implement best practices.
12. The activities of the IWGPS are expected to receive wider exposure through discussion at relevant regional meetings and regular communication with international experts and groups using electronic media such as the Internet.
13. Proposals for new manuals and handbooks, outlines and draft material will be widely circulated through electronic and other media for comments and suggestions to ensure that all regional concerns are adequately addressed. Relevant organisations and groups such as the UN regional commissions, the Ottawa Group, the Voorburg Group and the ICP will also be encouraged to discuss them at their meetings.
14. The IWGPS shall establish its work programme under these Terms of Reference.

Annex 1. Procedures for production and publication of manuals and handbooks

The IWGPS may agree to facilitate the production and publication of manuals or handbooks on price statistics. For this purpose it is required that a work and time plan is presented and agreed on by the IWGPS. The plan shall include a detailed outline of the publication, a list of authors and possible co-authors and/or reviewers by chapter or by topic, and a description of the quality assuring process and how intended users are consulted in the process. The plan should also explain by whom and how the manual or handbook will be published and clarify copyrights.

Before publication, the final draft shall be approved by the IWGPS. Once approved by the group, the manual or handbook can be published on paper and/or electronically. The publication should be published with the name of the IWGPS member organisations on the front cover, unless otherwise agreed. The publication should also mention in its preface that it is approved by the IWGPS and acknowledge support from the member organisations.

The IWGPS may decide to update the electronic version of a manual or a handbook. This may include update of issues already covered in the publications or addressing new ones. The work to update a publication or part of it may be undertaken by the editor of the publication or another organisation or individual (e.g. the author and/or co-author of a specific chapter), as agreed by the IWGPS.

Before updates are implemented in the electronic version of a publication, the IWGPS shall approve the changes. Proposals for larger and/or substantive changes, including new guidance on methods or practices, should be discussed and agreed upon by the group. Minor, non-substantive changes and corrections of mistakes and errors may be undertaken by the editor – or by the author, referring to the editor – who should inform the IWGPS of the changes and corrections.

Annex 2. Publications prepared under the auspices of the IWGPS

| Publication | Responsible organisation | Status |
|---|--|--------------------------|
| <i>Consumer Price Index Manual. Theory and Practice</i> | ILO | Published by ILO, 2004 |
| <i>Producer Price Index Manual. Theory and Practice</i> | IMF | Published by IMF, 2004 |
| <i>Export and Import Price Index Manual. Theory and Practice</i> | IMF | Published by IMF, 2009 |
| <i>Practical Guide to Producing Consumer Price Indices. A supplementary Handbook to the Consumer Price Index Manual</i> | Office for National Statistics (ONS), United Kingdom | Published by UNECE, 2009 |
| <i>Handbook on Residential Property Price Indices.</i> | Eurostat | Being drafted |