

Republic of Belarus

A: Identification

Title of the CPI: Consumer Price Index

Organisation responsible: National Statistical Committee of the Republic of Belarus

Periodicity: Monthly

Price reference period: December 2011 = 100

Index reference period: December 1990 = 100

Weights reference period: 2010

Main uses of CPI: Indexation of wages, pensions and/or social security payment, indexation of rents, contracts and/or other payments, main inflation indicator used for monetary policy, deflate household expenditures in National Accounts, computation of purchasing power of households, macroeconomic modelling and other analytic uses.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Urban areas

Population coverage: Resident households of nationals.

Population groups excluded: Institutional households and high income households.

Consumption expenditure includes:

- Food consumed away from home;
- Housing maintenance, minor repairs

Consumption expenditure excludes:

- Foods produced for own final consumption;
- Other goods produced for own final consumption;
- Services produced for own final consumption;
- Income in-kind receipts of goods;
- Income in-kind receipts of services;
- In-kind goods received as gifts;
- In-kind services received as gifts;
- Purchase of owner-occupied housing;

- Mortgage repayments;
- Mortgage interest;
- Major repairs, conversions and extensions to owner occupied housing;
- Purchase of gifts of goods and services given to others outside the household;
- Second hand goods purchased;
- Luxury goods;
- Financial services (including fees for financial advice, brokerage fees);
- Interest payments (excluding mortgage interest payments);
- Non-life insurance premiums (e.g. vehicle, housing, other property, medical), gross of claims;
- Life insurance premiums;
- Licences and fees (e.g. driver's licence, hunting licence, vehicle registration);
- Gambling expenditure, gross of winnings;
- Investment-related expenditures (e.g. purchase of shares/stocks);
- Occupational expenditures;
- Other business-related expenditures;
- Social transfers in-kind of goods and services from government and No-profit institutions serving households;
- Expenditures abroad

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The CPI reflects changes over time in the price of a fixed set of goods and services actually consumed by Belarusian households. The CPI measures cash transaction prices including taxes.

Definition of consumption expenditures: The source for the consumption expenditure data is household consumption expenditure survey. Consumption is evaluated at purchaser's prices which include trade and transportation margins, as well as less imposed subsidy taxes on products. The survey is based on multi-stage probability sampling. The sample includes all types of households. Consumption is defined in terms of "payment".

Classification: COICOP (Classification of individual consumption by purpose)

Weights include value of consumption from own production: No

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Annual

Price updating of weight reference period to the index reference period: Weights of 2010 expenditure survey used for the CPI estimation in 2012, are adjusted to December 2011, which is the base period for estimation.

Weights for different population groups or regions: The weights are compiled for 5% of families with the lowest income and 5% of families with high income.

D: Sample design

Sampling methods:

Localities: Cut-off sampling (the elements with the highest sales or value of other auxiliary variable are included into the sample)

Outlets: Judgmental sampling

Products: Cut-off sampling (the elements with the highest sales or value of other auxiliary variable are included into the sample)

Frequency of sample updates:

Localities: The sample of localities remains the same.

Outlets: Annual

Products: Annual

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: 31 towns are selected for the CPI price collection (5 towns in every region of the country and the city of Minsk). More than 70% of total urban and more than 50% of total population of Belarus live there. Large, middle and small outlets are chosen for price collection. Also price collection is done in the open air markets. There are 1,114 organizations for food, 2,379 organizations for non-food goods, 2,005 for services. Three price quotes are recorded for each product at district level, five at the regional level, and 10 in the city of Minsk.

Selected items represent price movement of the commodity or service group and should be available for a reasonable length of time. Price collectors have freedom in selecting representative items in each outlet. The main criteria for price collectors is the volume of sales of a certain product, item variety should also include items of different producers and both of the native production and imported goods. Within item specification, price collectors, in cooperation with shop staff, select products with relatively large market share.

E: Data Collection

Approximate number of localities, outlets and price observations: Localities: 31, Outlets: 5,498, Price observations: 50,000

Frequency with which prices are collected: Food – weekly, for other items - monthly

Reference period for data collection: The reference period for data collection is from the 10th to the 30th of each month.

Methods of Price Collection

- Personal data collection
- Telephone interviews

- Official tariffs for medicines.

Treatment of:

Discounts and sales prices: Seasonal discounts are collected, but discounts for damaged goods or past expiry date are not collected.

Black market prices: Not collected.

Second hand purchases: Not included.

Missing or faulty prices: Prices are adjusted by the rate of change of the other price observations of the same product

Period for allowing imputed missing prices: Imputing of missing price is generally allowed for 3 months. New products are selected in the terms of representation (volume of sales, quantity of sales). When there are several items to be replaced, the choice is given to the most similar to the old variety item. In some cases, list of bestsellers are used for selecting the item to be replaced.

Disappearance of a given type or quality from the market: When replacing similar product, its specification is checked by the statistical office.

Quality differences: Quantity adjustment (package size adjustment and explicit quality adjustment (for some products and services).

Appearance of new items: New items are introduced as they gain market share. Ad hoc surveys are conducted to identify new items and provide source data for weights and prices. New items are introduced in the month of December and are included in the CPI estimation beginning of January.

Treatment of seasonal items and seasonality

Items that have a seasonal character and their treatment: Fresh fruits and vegetables, clothing.

Seasonal food items: Seasonal food items are included in the CPI using fixed weights approach: the weights are kept constant over the year, while prices of out-of season products are estimated or imputed.

Seasonal Clothing: Seasonal clothing items are included in the CPI using fixed weights approach: the weights are kept constant over the year, while prices of out-of season products are estimated or imputed.

Method to impute the price of seasonal items: Prices are imputed by using price development of in-season products.

Treatment of housing

Treatment of owner-occupied housing: Owner occupied housing is not included in the CPI.

Types of dwellings covered by the rent data: One-room flats in typical buildings within different districts of the city which are to be rented for a period longer than 3 months. The data is collected monthly. Public, communications and other services; which are paid separately are not included in the rent data. The data is collected from the local housing and communal authorities (on the basis of tenancy contracts), and from estate agencies, (on the basis of the contracts).

F: Computation

Formula used for calculation of elementary indices: The ratio of arithmetic mean prices (Dutot index) (Direct form)

Formula to aggregate elementary indices to higher level indices: On the first stage elementary indices are estimated in regional statistical departments. At, the second stage of aggregation (held in the National Statistical Committee), a modified Laspeyres formula is used, where the 442 indices are aggregated into the national index.

Formula of aggregating regional/population group indices into national index: Regional elementary indices are aggregated into higher level on the basis of the relative weight of each region by population size adjusted by the regional average share of consumption per 100 families in the total consumption of population in Belarus.

Monthly and annual average prices: Simple averages of prices are calculated.

Seasonally adjusted indices: No

Software used for calculating the CPI: MS Excel sheets, the new software for CPI estimation is in the process of creation.

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: Specification of products and prices are compared with previous month and questions transmitted to price collectors.

Control procedures used to ensure the quality of data processed: All the aggregates are analyzed to detect price movements.

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: The CPI is published on the 9th day after the end of the reference month.

Level of detailed CPI published

Paper publication: All items CPI, Division-level (12 Divisions), Group-level app. 40 groups and Average prices

Online: All items CPI, Group-level app. 40 groups, Class-level (100 classes), Basic items, Average prices

Separate indices published for specific population groups: No

Type of products for which average prices are calculated and disseminated: Food, Non-food and for several kinds of services.

Documentation

Publications and websites where indices can be found: The official Belstat web-site: www.belstat.gov.by Price changes (monthly), Core inflation (monthly), Consumer price indices in the Republic of Belarus and in the CIS countries, Consumer price indices in the Republic of Belarus and other countries, Publication "Prices in the Republic of Belarus" (annual), Electronic tables "Consumer price indices in the Republic of Belarus". Average prices of goods in the Republic of Belarus, Average prices of services for population in the Republic of Belarus, Data published in accordance with the SDDS of the IMF, Statistical Yearbook of the Republic of Belarus, Price Indices of Consumer Goods and Services and Produced Industrial and Agricultural Output (is distributed in paper and electronic formats to users).

Publications and websites where methodological information can be found:
www.belstat.gov.by Price changes in May 2012

I: Other Information

Reported by the country in 2012.