

Botswana

A: Identification

Title of the CPI: Consumer Price Index

Organisation responsible: Central Statistics Office

Periodicity: Monthly

Index reference period: 2006 = 100

Weights reference period: 2002/2003

Main uses of CPI: Indexation of wages, pensions and/or social security payment, indexation of rents, contracts and/or other payments and main inflation indicator used for monetary policy.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Nation-wide

Population coverage: Resident households of nationals.

Population groups excluded: Institutional households.

Consumption expenditure excludes:

- Purchase of owner-occupied housing;
- Second hand goods purchased

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The Consumer Price index essentially measures the change over time in the cost of a fixed basket of commodities and services.

Classification: COICOP (Classification of individual consumption by purpose)

Weights include value of consumption from own production: Yes

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Above 5 years

D: Sample design

Localities: Stratified sampling with PPS sampling in each stratum

Outlets: Judgmental sampling

Products: Judgmental sampling

Frequency of sample updates:

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: Outlet selection: The outlets sampled are by purpose. Sampling of outlets is done from the business register.

E: Data Collection

Approximate number of localities, outlets and price observations: Outlets: 1,258, Price observations: 30,820

Frequency with which prices are collected: Prices for most items are collected monthly; Rent, accommodation and servant's wage - prices are collected quarterly.

Reference period for data collection: Prices for most items are collected from the 1st to the 2nd week of the month. Prices for rent, accommodation and domestic servants are collected quarterly in the last month of each quarter.

Methods of Price Collection

- Personal data collection

Treatment of:

Discounts and sales prices: Discounts and sales prices are recorded in case of temporary reductions.

Missing or faulty prices: Prices for temporarily missing and seasonal products for the new CPI are estimated by imputing the price. Hence, the PSU uses the change in the related class/group to estimate the missing price.

Disappearance of a given type or quality from the market: A permanently unavailable product is replaced with a similar item. If possible, the price for the replacement product is spliced onto that of the old product by obtaining the price for the overlap month. Otherwise, the price for the new product is used without any price statistics (Consumer Price Index) adjustment for quality differences

Appearance of new items: New goods are not introduced into the sample as they gain market share. New goods are only introduced when there is a new household income and expenditure survey.

Treatment of seasonal items and seasonality

Treatment of housing

Treatment of owner-occupied housing: Not included in the CPI

F: Computation

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

Formula to aggregate elementary indices to higher level indices: The method used to calculate the indices is the traditional base-weighted Laspeyre's formula.

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: Once the PSU receives the completed questionnaires, it visually inspects them for consistency checks. Last month's price is compared with the current month's price. Price collectors are asked for an explanation if the price change is over a certain percentage. Additionally, checks are conducted for mistakes such as price quotes written on wrong slots, very high or very low price quotes compared to the previous period price, zero or missing prices, shop deletions, and conversion of prices to the required quantities.

Control procedures used to ensure the quality of data processed: A range of price quotes or coding error threshold is employed to minimize processing errors. If any unusual price values appear, the outlet is contacted for price verification.

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: The CPI is released 15 days after the reference date.

Level of detailed CPI published

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

Online: All items CPI, Division-level (12 Divisions)

Documentation

Publications and websites where indices can be found: Consumer Price Statistics" published by the Central Statistics Office (English); "Consumer Price Statistics Stats Brief" published by the Central Statistics Office – English; Internet website: <http://www.cso.gov.bw>

Publications and websites where methodological information can be found: Internet website <http://www.cso.gov.bw>

I: Other Information

Completed by ILO in 2013.