

Asian Development Bank

RETA 6482 – Improving Price Collection and
Updating PPP Estimates for Selected DMCs

First Data Review Workshop

Wrap-up

11-14 May 2009

ADB Headquarters
Manila, Philippines



Validated first quarter 2009 price data for household products

- Intra-country price variations
 - CVs
 - Minimum/maximum price ratios
 - Prices validated against ICP and CPI
 - No. of price quotations (5- 15)
- Substantial price variations
 - Between ICP 2005 and ICP 2009
 - Within same BH – divergences in price movements
 - Unit of measure
 - Data entry error



Issues

- Priced in 2005 but not priced in capital city
- To price from similar type of outlet where it was priced in 2005
- Priced in capital city in 2005 but no longer available in capital city in 2009
- To price from “biggest” market outside of capital city from a similar type of outlet

Final regional household product list

- Products no longer available in 2009/phased out
 - Mercury scale thermometer
 - Incandescent light (for table lamp)
 - Dry iron
 - 170 liter-Single door refrigerator
 - Portable CD player
 - CRT TV 14-15"
 - Cassette tape
 - Sony Playstation 2



Final regional household product list

- Alternatives
 - Mercury scale thermometer
 - To be split into mercurial & digital thermometers
 - Incandescent light for table lamp replaced w/
 - Fluorescent light
 - Dry iron
 - To be split into dry & steam iron
 - 170-liter single door refrigerator split into
 - 170 single and 180-Liter double door refrigerator
 - Portable CD player split into
 - Portable CD and I-pod Nano (original Apple)



Final regional household product list

- Alternatives

- CRT TV 14-15" to be replaced by

- CRT TV 21" and

- LCD to be specified

- DVD player

- Tighten specifications

- Cassette tape – replace with blank CD

- Sony Playstation 2 replaced with

- Sony Playstation 3



Final regional household product list

- Products with minor changes in SPD
 - Passport photographs 4 x 5 cm; Fuji
 - Photographs 4 x 5 or 4 x 6;
Fuji/Kodak/Konica processing
 - 2 star hotel
 - Delete TV/telephone in the product specifications



Final regional household product list

Country specific items not available

- Wooden chair with arm rest (Malaysia)
- Cake mix (Thailand)
- Mutton (Indonesia)
- Frozen whole chicken – imported (Bhutan)
- Canned tuna (Thailand, Maldives, Nepal)
- Peanuts loose (Fiji)
- Pineapple in syrup (Fiji)
- Confectionary (Hong Kong)
- Nestle choc. (Mongolia)



Final regional household product list

Country specific items not available

- Magnum (Maldives; Hong Kong, China)
- Chilli sauce (Maldives)
- Kerosene, roll-on deodorant (Thailand)
- Wood for fuel (Indonesia)
- Plastic mats, domestic whiskey (Mongolia)
- Radio repair, prepacked corn flour (Philippines)
- Thermometer, mercury (Singapore; Taipei, China)
- 170-Liter 1-door ref (Malaysia)



Final regional household product list

- Not to price what was not priced in 2005 (check with country list)
- Use product catalogue for SPD (not the PCT)
- Use latest PCT to be emailed



Methodology for price collection & PPP computation for non-household products

- Price collection and methodology for construction
 - 11 basic inputs
- Data source and methodology for M & E
 - Import values and associated costs
 - Shares of domestically manufactured and installed M & E in total Equipment; and associated deflator or Producer Price Index
- Data requirements and methodology for Government compensation



Deliverables and Timelines

Review and resubmit Q1 09 household consumption price data	31 May 09
Submit 2Q 09 household consumption product price data	30 July 09
Construction: (to be collected in June)	10 Aug 09
2008 Government Compensation	30 July 09
2009 Government Compensation	28 Feb. 2010
M & E (imports and domestically produced and associated costs) 2005 & 2008	10 August 09
2 nd Data review workshop	1 Sept 09 (tentative)

Thank you!



Data Archiving: 2005 ICP data

- Two types of data:
 - Micro or item level price data:
 - What ADB has is what was given to us
 - Country dependent: ranges from submissions made in 2006 until March 2007
 - Request for “final” item level data corresponding with annual average price data for purposes of archiving was not successful
 - Annual average price data:
 - Final submission made in June 2007
 - Annual average product price that went into computation of 2005 ICP PPP is archived



Data Archiving: 2005 ICP data

- Data request

Per MoA with countries ADB does not give item level data to external parties but have given to individual countries on request

Caution is advised if these data are extended to third parties - annual average price and PPP computed from the item level data may not match with published PPP

