

ANNEX 2 CONCEPT NOTE

Regional Workshop on Consumer Price Index (CPI) and Prices Statistics Nadi, Fiji 2024

Consumer price indexes (CPI) measure changes over time in the general level of prices of goods and services that households acquire (use or pay for) for the purpose of consumption. In many countries, they were originally introduced to provide a measure of the changes in the living costs faced by workers, so that wage increases could be related to changing levels of prices. However, over the years, CPIs have widened their scope and now are widely used as a macroeconomic indicator of inflation, as a tool by governments and central banks for monetary policy and for monitoring price stability, and as deflators in the national accounts. With the globalization of trade and production and the liberalization of the markets, national governments, central banks, and international organizations place great importance on the quality and accuracy of national CPIs, and their international comparability.

CPIs are official statistics that are usually produced by NSOs, Ministries of Finance and Labour, or central banks. They are published as quickly as possible, generally within four weeks after the reference period.

This face-to-face course, developed jointly by SIAP, IMF, and SPC, aims to build capacity to improve the compilation of consumer price indexes (CPI) that reflect international standards and best practice as described in the 2020 CPI Manual. Course topics will include overview of index calculation methods, developing weights, selecting samples, price collection, data dissemination. The program will include interactive discussions to share country experiences, practical exercises to apply concepts and methods discussed, and limited lecture.

II. Target Audience

This course is designed for government officials from National Statistics Offices, Central Banks and Ministry of Finance and Labour who are involved in the compilation of CPIs.

III. Target Countries

The course is designed for the ESCAP member countries in Asia and the Pacific region.

Countries eligible for support from SPC through PacStat: The Federated States of Micronesia (FSM), Fiji, Kiribati, Papua New Guinea (PNG), Republic of the Marshall Islands (RMI), Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.

Countries additionally considered to be funded by SPC: Cook Islands, Nauru, Palau, Niue, Tokelau.

IV. Learning Outcomes

By the end of the course, participants will be able to

- a) Identify key uses of CPI data and explain key consumer price index concepts and definitions and how these are applied in practice.
- b) Identify and explain differences between the different index calculation formulas.
- c) Define and explain the different levels of sampling in a CPI and how these sampling methods are applied in practice.
- d) Identify and explain the different methods for the treatment of missing prices and describe how these are applied in practice.
- e) Update CPI weights and link old and new indexes to form continuous time series of data.

V. Course Design and Content

Sessions will be covered in the course are listed below.

Day	Coverage
Day 1	<ul style="list-style-type: none">• Issues for Compiling Price Indexes• Developing weights
Day 2	<ul style="list-style-type: none">• Elementary Index Calculation• Upper-level Index Calculation
Day 3	<ul style="list-style-type: none">• Sampling Methods• Developing Detailed Specifications• Alternative Data Sources
Day 4	<ul style="list-style-type: none">• Temporarily Missing Prices• Permanently Missing Prices• Imputing Missing Prices• Direct and Indirect Quality Adjustment Methods
Day 5	<ul style="list-style-type: none">• Measuring Owner-Occupied Housing in the CPI

Sessions will be conducted in English and no translations will be provided to the participants.

VI. Evaluation

Pre-course test, post-course test and end of course evaluation will be conducted to assess the learning outcomes.

VII. Source Material

This course draws upon The Consumer Price Index Manual, 2020: Concepts and Methods.

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