



STATISTICS BOTSWANA

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BOTSWANA CONSUMER PRICE INDEX REBASING CONSULTATIVE WORKSHOP

DATE: FEBRUARY 10, 2020

HILTON HOTEL, GABORONE

WELCOME REMARKS

**DR BURTON S. MGUNI,
STATISTICAL GENERAL,**



Director of Ceremonies

Representatives of AFRITAC South

Representatives of Other Development Partners,

Senior Government and Non-Government Officials,

Distinguished Delegates,

Media Practitioners

Ladies and Gentlemen

I greet you all,

Dumelang,

1. It is my pleasure to welcome you to this important workshop on **The Fundamentals of the Consumer Price Index (CPI)** which has been organized by AFRITAC South.
2. I would like to thank IMF through AFRITAC South for their continued support and partnership in the field of economic statistics in the region and the world at large. For Botswana, this support has yielded very good results. AFRITAC South has assisted Statistics Botswana advance development in statistics through compilation methodologies, concepts and definitions in different economic related statistics. Our staff have attended different workshops and we have also received a number of technical missions in these areas and are indeed very thankful.



3. I am aware that this support and partnership covers many other countries and especially in this region. Hence this workshop has brought together compilers of statistics from different countries to update themselves on the most current compilation methodologies, concepts and definitions.

Director of Ceremonies,

4. It is the duty of National Statistics Offices (NSOs) to produce relevant, quality and timely statistics that are fit for purpose and are in accordance with international standards and best practices. Close collaboration between NSOs and local as well as international stakeholders such as AFRITAC South contributes significantly towards fulfilling this mandate.

As you are all aware,

5. The Consumer Price Index (CPI) is an economic indicator that provides a general measure of changes in prices of consumer goods and services purchased by households. The CPI is used for different purposes, such as in the development planning, monetary policy, cost of living based adjustments and analysis in many other economic areas.



6. Using fixed weights in the compilation of CPI over a long period of time is not considered sound practice. Weights in a consumer price index have to be changed to reflect changing consumption patterns. Consumption patterns change in response to longer term price movements, changes in preferences, and the introduction or displacement of goods or services hence the term CPI rebasing. CPI rebasing allows us to have a common reference point to ensure harmonization or standardization.

Ladies and Gentlemen,

7. Statistics Botswana publishes the country's CPI on the 15th of every month, in accordance with the IMF Special Data Dissemination Standard (SDDS). The current Botswana Consumer Price Index has a base year of December 2018, whose weights were reviewed using 2015/2016 Botswana Multi-Topic Household Survey (BMTHS). The BMTHS is an essentially a Household Income and Expenditure Survey or Budget Survey except that it is expanded to also cover a number of other modules, such as anthropometry, health, education, demography, social protection, to mention but a few. Prior to 2018, the previous base period for the CPI had been 2006. For the period 2006 to 2018 Botswana had not really complied with the rebasing recommendations for several reasons; amongst others was the availability of data required for the process.



8. Following the December 2018 CPI rebasing, Statistics Botswana, with assistance from the IMF and other development partners, will comply with the recommended rebasing interval of five years. In so doing, Botswana, will be following international best practice. Statistics Botswana, as a response to the demands of users, have now introduced modular quarterly household surveys. Whilst the main module will be the labour force, data required for updating weights will be collected through an extension of this survey in a selected inter-censal year.

9. It is our aim that as we work to ensure that all required data is available at the required time, we eventually develop a stable well-coordinated process to ensure timely rebasing so that we consistently produce good quality data and indicators that are methodologically sound, meet dissemination standards and also informative with well-articulated metadata.



Ladies and Gentlemen,

10. Allow me to conclude by welcoming you all to Botswana and wishing you an enjoyable stay. I am confident that the discussions in this workshop will be enriched by the various experiences which are to be shared by the countries represented. I would implore all participants to make full use of the opportunity accorded us by AFRITAC South.

11. I wish you all fruitful deliberations and a successful workshop.

Director of Ceremonies,

12. I now want to take this opportunity to declare this workshop officially opened.

I thank you

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