



THE NEW
KENYAN CONSUMER PRICE INDEX

GUIDE
for
PRODUCING THE
CONSUMER
PRICE INDEX

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GUIDE FOR PRODUCING THE CPI

1 Introduction

In 1997 a new system was set up for producing the CPI in Kenya. The CPI is one of the main economic indicators and as such its production is vital.

A new programme has been written in Dbase for all information to be entered into. Each month questionnaires are produced and sent to enumerators throughout Kenya. When these are received back they are checked and the information is then entered into the Dbase programme.

2 Monthly Timetable

Table 1: Monthly Timetable for CPI Production

Produce the Questionnaires	First Week of the Month
Send the Questionnaires	Last Day of First Week
Data collection	Second Week
DSO Checks data	First Two Days of Third Week
Questionnaires received back in CBS	Third Day of Third Week
Data input and validation	Middle of Third – Middle Fourth
Production of Monthly Release	End of the Fourth Week
Release of Data to Central Bank and Treasury (one day before general release)	Last day of the Month
General Release of Data to the public	First Tuesday or Thursday of the Month

3 Field Visits

A programme of field visits has been set up to ensure all enumerators are properly trained and that the quality of their work is also checked.

- a) Checked the Number of Outlets – particularly those outlets where very few items were being collected. This enables us to reduce the number of outlets visited and to therefore reduce the time taken for price collection.
- b) Checked the Quality of Outlets – check that the quality of the outlets is appropriate. In particular roadside outlets and open air outlets should not be used as these change frequently making it hard to collect the data on a monthly basis.
- c) Item Specifications – check with the enumerators which item specifications they are using and ensure that these meet our specifications. Where they are collecting items which don't meet our specifications we assist them to reselect an appropriate item.
- d) Check the Quality of the Work of the Enumerators – talk to a sample of outlet owners and ensure the enumerators have been visiting regularly.
- e) Check the Quality of the Work of the Enumerators – check the quality of the work by revisiting a selection of outlets and check some of the prices collected to ensure they are correct. This should also help to establish if there are any training needs.
- f) Retrain the Enumerators – using the enumerators training manual go through the main sections and ensure the enumerators understand the work they are doing.

4 Data Validation Guidelines

At present the Dbase programme can produce printouts of all prices which have changed more than 10% but this is not always being used.

Data validation should be done as the data is entered.

If a price has changed dramatically since the previous month, either upwards or downwards then consider why this may be the case:

- If the commodity is fresh fruit or vegetables these prices can fluctuate so look at

other prices collected for the same commodity and if they show similar changes then enter the price – **ENTER THE PRICE**

- If the price has changed and it looks like this is due to a change in the specification, such as a dozen eggs being priced whereas previously one egg was priced then decide if the new weight/specification is acceptable, does it follow your commodity list, if it does then enter the price BUT make sure it is shown as a new item so that the programme can correctly recalculate the index. – **ENTER A COMMENT ON THE FORM FOR NEXT MONTH**
- If the price has changed and the new specification does not tie up with your list or the price does not look believable then **DO NOT ENTER THE PRICE** but instead query it with the enumerator and make sure the correct price is entered next month.

For all other suspect changes which do not meet the above criteria **DO NOT ENTER THE PRICE**. Again make a note for the enumerator to check and change the commodity price or description or both.

Do not enter prices on the system if you think they are wrong. If you add incorrect prices and do not tell the system they are different items then the system will assume the change in price is all due to inflation.

Once all the prices are entered you should either run the programme from Dbase which shows all prices which have changed more than 10% or you can run the same programme in Excel.

In Excel you can open any of the Dbase files and then analyse the prices in more detail. This can be easily done using Pivot Tables:

- Data
- Pivot Tables
- Drag the fields you want to analyse onto the grid

Annex 1: REPORT ON FIELD VISIT

Name of CBS Staff	
Town	
Date of Visit	
Enumerator's Name	

When were you last trained on CPI price collection

Within 6 months

6 – 12 months

Over 1 year ago

Do you have a copy of the Enumerators' Guidelines? Yes No

When did you receive the latest set of collection forms? _____

In the last month how many of the outlets you were collecting in closed? _____

CHECKS BY CBS STAFF

OUTLET QUALITY

Were the majority of the outlets appropriate for price collection? Yes No

If not explain what the problems were and how you dealt with this.

ITEM SPECIFICATION

Were the majority of items collected meeting the correct specifications? Yes No

If not explain what the problems were and how you dealt with these.

ITEM PRICE CHECK

Having checked a selection of prices collected were they all correct? Yes No

If they were not please explain why not and what you did to address this problem.

RELEASE DATES FOR THE CPI

October 2001	1st November 2001
November 2001	4th December 2001
December 2001	3rd January 2002
January 2002	5th February 2002
February 2002	5th March 2002
March 2002	2nd April 2002
April 2002	4th May 2002
May 2002	2nd June 2002
June 2002	4th July 2002



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