

## Estimation of annual PPPs before 2013 in the Eurostat-OECD PPP Programme

### Introduction

Until 2014, the OECD only computed detailed-level PPPs every three years. For the years in-between these benchmark calculations, the OECD only estimated PPPs for three aggregates (GDP, households' actual individual consumption, and individual consumption) using a global extrapolation method. The extrapolators used were the national accounts' price deflators for the respective aggregates.

Considering that the global extrapolation method was prone to significant revisions when a new benchmark was published, the OECD has changed its strategy from 2015 onwards to move, in December 2016, to the rolling benchmark approach, approach followed by Eurostat. Full description can be found in the PPP manual.

### Historical PPP time series for GDP, AIC and IC

PPPs for historical series are built as follows:

**1999, 2002, 2005, 2008, 2011:** PPPs for all OECD countries and the Russian Federation are benchmark results calculated jointly by the OECD and Eurostat.

**1995-1998, 2000-2001, 2003-2004, 2006-2007, 2009-2010, 2012:** PPPs for European countries are annual benchmark results provided by Eurostat. PPPs for non-European countries and the Russian Federation are OECD estimates based on global extrapolation.

**Years prior to 1995:** The 1995 PPPs for all countries have been backdated using the relative rates of inflation between countries as measured by their implicit price deflators for GDP, AIC and IC.