Planning for the ICP 2024 cycle

International Comparison Program (ICP) Inter-Agency Coordination Group (IACG) Meeting



Outline



-----------0000000 ----------**ICP 2024 Item Lists** 000000000000000000000 -------..... -------------00 0 000000000000000000000 -------.............................. 0000000000000000000000 000000000000000 -------............... ---------------------......... 00000000000000000000000 000000000 00000000 000 0000 ------000 0000 000 000

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ICP 2024 Household Consumption: Item List

ICP 2021 item list:

636 Global core list items; 633 items priced by at least two ICP regions

ICP 2024 item list:

- Update "philosophy", only necessarily updates
- Approx. 70 new item proposals based on <u>existing regional "overlap" items</u> (<u>subject</u> to review and possible edits)
- Motor cars and Motorcycles: review the list composition for types of vehicles | keep the same make and model for the most priced items, and update the specifications
- Fast-evolving technology items: to be updated by October 2023
- Communication services: review of the list composition for types of items

ICP 2024 Household Consumption: Feedback from the Regions

ICP 2024 current item proposals:

- Based on similar regional items priced by 2 or more ICP regions
- The pre-survey goal is to assess the feasibility of introducing the items as "core items", and to harmonize the item definitions, as needed, to ensure these items can be priced by 2 or more ICP regions

ICP 2024 additional feedback from RIAs:

- RIAs are invited to provide feedback on the current items (A/I/comments)
- RIAs can submit new item proposals directly on the ILMT
 - The new proposals should ideally focus on those BHs with a low number of GCL items priced in the region

ICP 2024 Household Consumption: Brand classifications

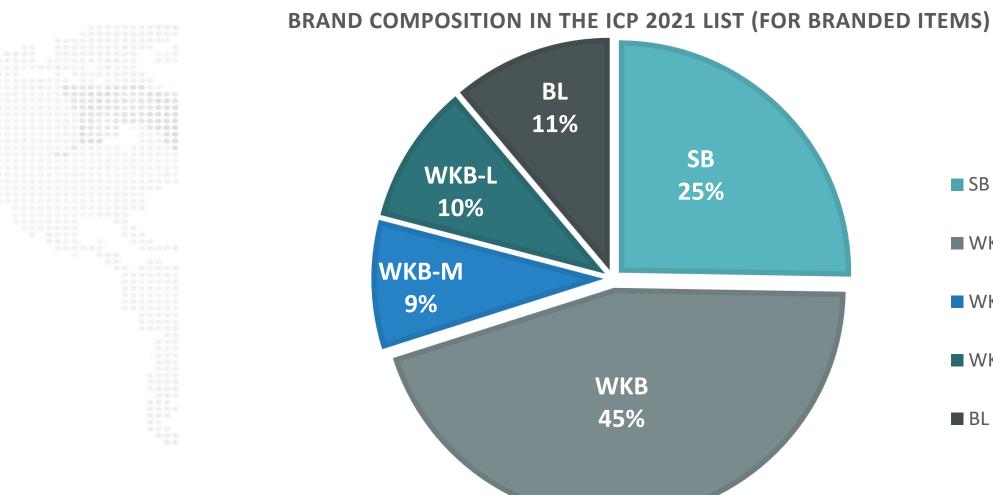
ICP 2021 brand classifications:

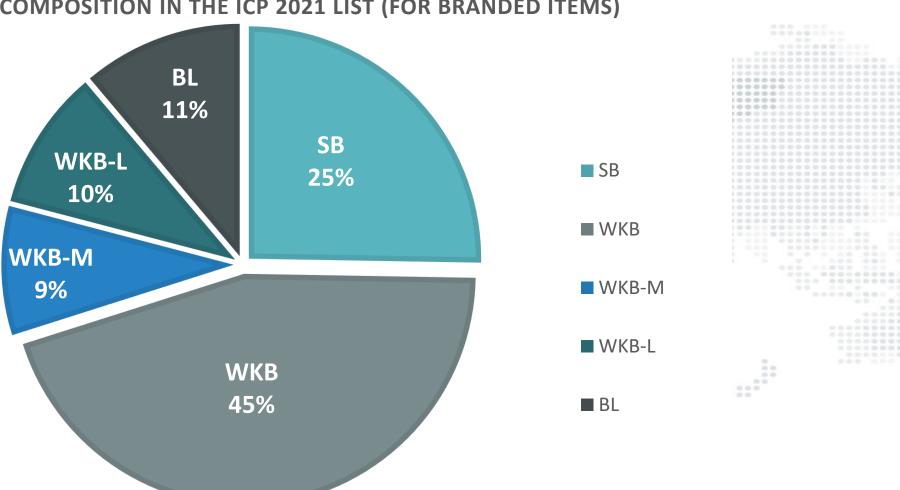
- SB: Specified Brand(s) (may include specified models)
- **WKB**: Well-known brand (may be subdivided into WKB-M and WKB-L)
- BL: Brandless (store-owned brands, lesser-known brands)
- BNR or "non-applicable": for items sold loose, services, etc.

Additional notes:

- Most <u>branded items</u> are classified as either: SB, WKB, or BL
- Only for <u>clothing</u>, <u>furniture</u>, <u>and household appliances</u>, a further distinction of WKB is introduced: SB, WKB-M, WKB-L or BL

Brand composition: Branded items in the Global Core List





Types of Item Definitions							
	Specified brands items	Unspecified brand items					
Title of item type	Specified brands	Well known brands	Brandless	Brand not relevant			
Abbreviation used	SB	WKB	BL	BNR			
in the item list	35	WIND	DL .	DIVIX			
Underlying brand	Brands and shop-chains with considerable spread, and/or which may have only local reputation and spread	Brands and shop-chains with considerable spread, and/or which may have only local reputation and spread	Brandless goods – however, a "label" without reputation might exist (bottom range of market production)	Products, usually sold loose, and services			
concept	Shop-own-brands (store-brands) of higher or standard quality (brand value is seen as part of product quality)	Shop-own-brands (store-brands) of higher or standard quality (brand value is seen as part of product quality)	Shop-own-brands (store-brands) of lower quality level				
Brand value	Yes	Yes	No	Concept does not apply			
Typical selling argument	Quality or reputation of the brand	Quality or reputation of the brand	Low price				
Prices to be collected	Prices <u>only</u> for brands or models listed in the item definition	Prices for non-branded products fulfilling the item definition (some items have a list of example brand(s) to be priced, however, also other brands can be priced)	Prices for non-branded products fulfilling the item definition	Products or services fulfilling the item description			
Should price collector report the name(s) of the observed brands?	Yes, if several different brands are listed	Yes, always Yes, an existing label, if any, should be reported		No			

Brand classification: food, drinks and other products

Specified Brands

- Original product from the specified brand
- Imitation or counterfeit products should not be priced

Well Known Brands

- A "well-known brand" within that country
- Typically associated with good quality products

Brandless

- No brand name, or supermarket brands/labels
- Typically associated with lower-quality, more affordable products.



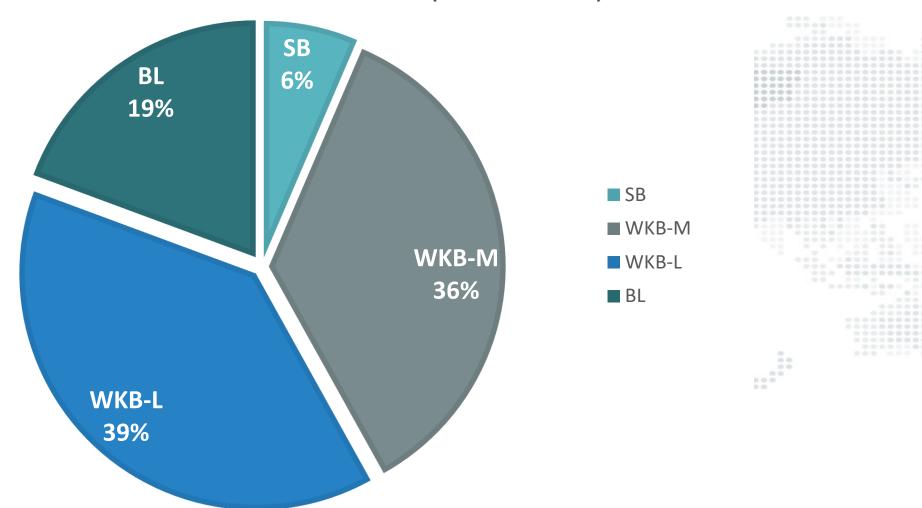




Brand composition: clothing, furniture and household appliances



BRAND COMPOSITION IN THE ICP 2021 LIST (FOR SELECT BH)



Brand classification: clothing, furniture and household appliances

Well Known Brand - Medium

- A "well-known brand" within that country
- Typically sold in specialized stores
- Associated with higher quality, more durable products
- Store clerks usually take the initiative to offer help to costumers

Well Known Brand – Low

- A "well-known brand" within that country
- Typically sold in specialized stores
- Associated with lowerquality, less durable products
- Store clerks usually do not offer help to costumers, unless directly solicited

Brandless

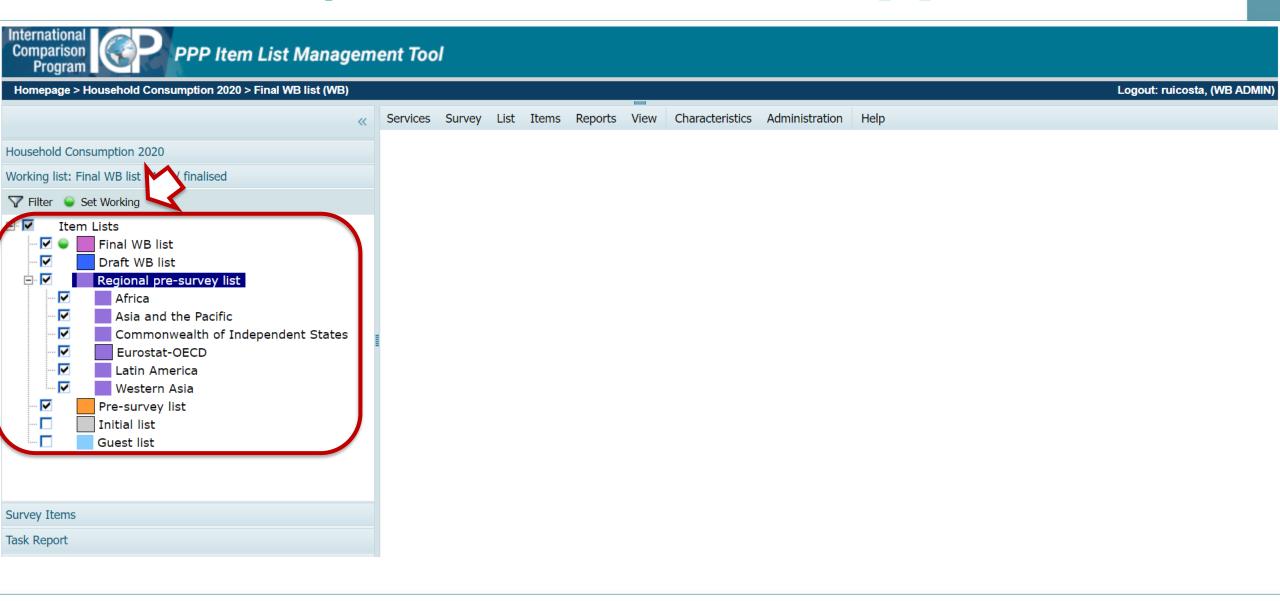
- No brand name, or lesserknown brand
- Typically sold in generalist stores, supermarkets, street markets and the like
- Associated with lowerquality products, less durable products
- No dedicated store clerks, usually full self-service.
- **Notes:** The GCL <u>does not include</u> WKB-"High" products, or luxury brands, or counterfeit products imitating luxury brands.

ICP 2024 Household Consumption: Brand classifications

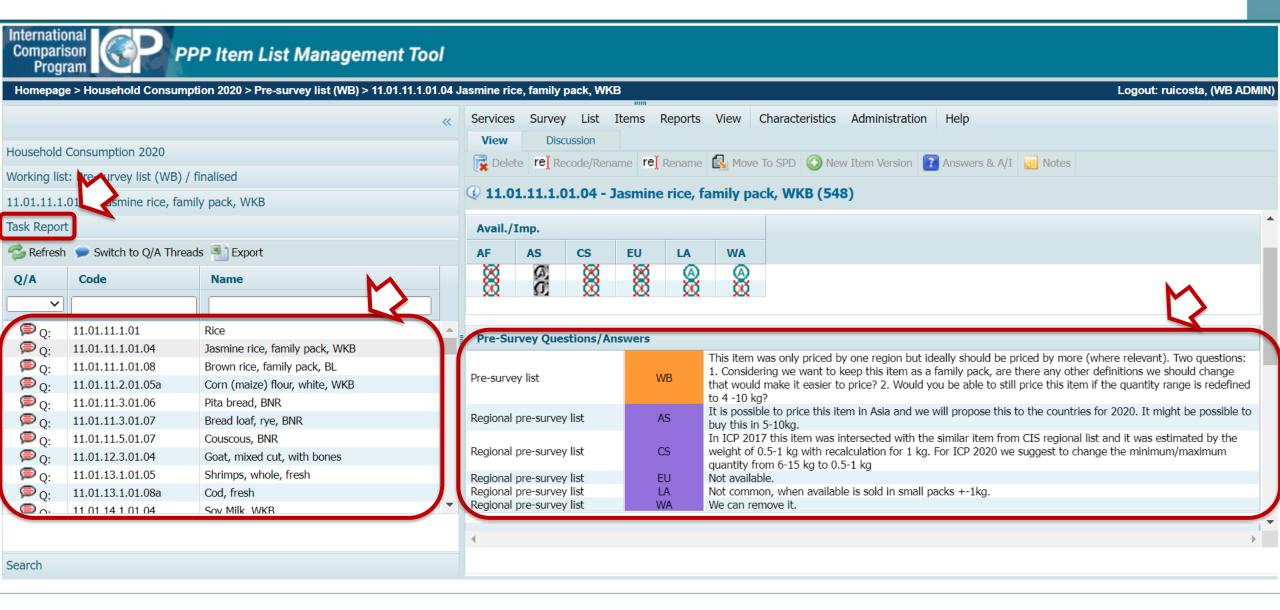
ICP 2024 brand classifications suggestions:

- Keep the same brand classifications for <u>clothing</u>, <u>furniture</u>, <u>and household</u> <u>appliances</u>: SB, WKB-M, WKB-L, and BL?
- Drop the WKB distinction for all Basic Headings: SB, WKB, and BL?
- Drop the BL items for <u>clothing</u>, <u>furniture</u>, <u>and household appliances</u>:
 SB, WKB-M, and WKB-L?
- Create an "indicative" list of WKB-M and WKB-L brands, agreed upon by all ICP regions? ICP 2017 attempt: <u>LINK</u>
- Adding more SB items to the item list, creating "generic" WKB items when possible (similar to the MEQ approach)?
- Other ideas and suggestions?

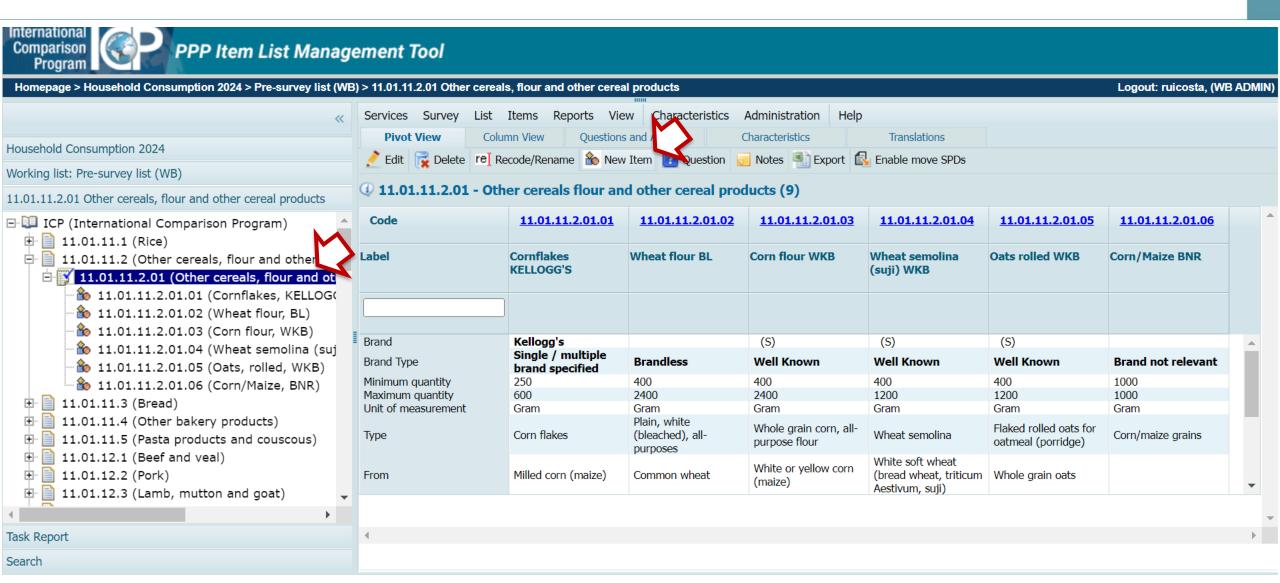
ILMT: Pre-survey list discussion for ICP 2021 [1]



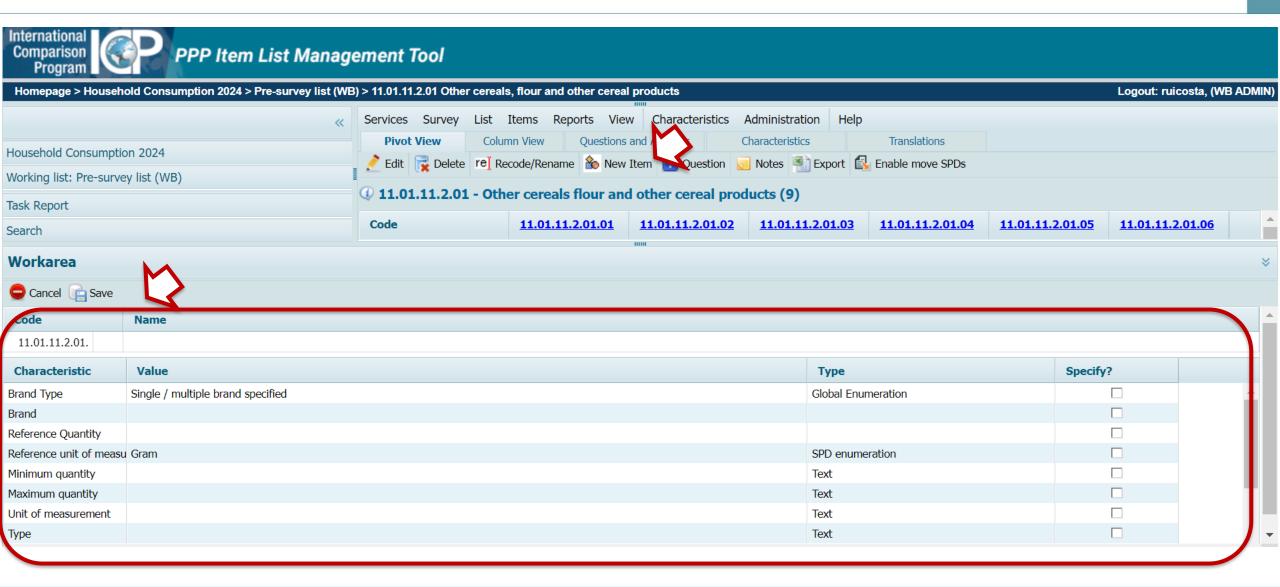
ILMT: Pre-survey list discussion for ICP 2021 [2]



ILMT: Creating a new item proposal [1]



ILMT: Creating a new item proposal [2]



ICP 2024 non-HHC price surveys

- Non-HHC price surveys for ICP 2024:
 - Private Education no changes?
 - Rents no changes?
 - Government Compensation no changes?
 - Machinery and Equipment to be updated based on EUO 2023 item list
 - Construction and Civil Engineering more detailed SPDs?

 RIAs are invited to suggest any changes to these item lists until the end of September.

ICP 2024 HHC Item List

TCD 2021 Cyclo	2023							
ICP 2021 Cycle	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Pre-survey available on the ILMT	26 May							
Pre-survey discussion of new items and feedback on current items ¹								
Draft list available on the ILMT ²								
Final HHC item list distributed to RIAs ³							6 Nov	
Update of fast-evolving tech items								

- 1 RIAs are invited to submit new item proposals during this period
- ² Deadline for new proposals is closed and the changes discussed are introduced on the ILMT
- ³ Without the final update on fast-evolving technology items

ICP 2024 non-HHC Item Lists

TCD 2021 Cycle	2023							
ICP 2021 Cycle	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Pre-survey available on the ILMT		26 Jun						
Pre-survey discussion of new items and feedback on current items ¹								
Draft list available on the ILMT ²								
Final HHC item list distributed to RIAs							6 Nov	

- ¹ RIAs are invited to submit new item proposals during this period
- ² Deadline for new proposals is closed and the changes discussed are introduced on the ILMT

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