

### Governance Meetings

#### 10<sup>th</sup> ICP Executive Board Meeting

The 10<sup>th</sup> meeting of the ICP 2011 Executive Board took place on January 24, 2014, at the World Bank in Washington DC to confirm the due diligence undertaken for the ICP 2011; ensure quality global results; and agree upon an action plan towards the release of the final global results.

Meeting discussions related to activities since the 9<sup>th</sup> Board meeting; review of the ICP 2011 preliminary global results; and the release of the ICP 2011 final global results.

At the meeting, the Board agreed that the due diligence and depth of work conducted since the 9<sup>th</sup> Board meeting diligently ensures the quality of ICP estimates, but stressed that the final stages of the ICP 2011 must be as transparent as possible. Additionally, the Board agreed to delay the release of the final ICP 2011 results and final report.

#### 2<sup>nd</sup> Results Review Group Meeting

The 2<sup>nd</sup> meeting of the ICP 2011 Results Review Group was held from February 10-11, 2014 at the World Bank in Washington, DC. The purpose of the meeting was to review the results from the final computations of the global PPPs and real expenditures. The data review included an assessment of the effect of changes in methodology between 2005 and

2011, a final review of the linking methods and the resulting tables of ICP 2011 results, and a discussion regarding the results of major economies.

The Review Group also discussed issues regarding the use of PPPs for establishing international poverty lines as affected by the level differences between the 2005 and 2011 PPPs. Additionally, there was a discussion of how to reconcile benchmark PPPs with time series PPPs based on GDP growth rates.

#### 11<sup>th</sup> ICP Executive Board Meeting

The 11<sup>th</sup> meeting of the ICP 2011 Executive Board took place on March 2, 2014 in New York to review and discuss the final ICP 2011 global results; provide feedback on the outline of the ICP 2011 final report; and determine a date for publication of the ICP 2011 final global results.

At the meeting, the Board endorsed the ICP 2011 results and agreed that they were ready for publication. The Board agreed to a two-step approach for releasing the ICP 2011 global results. Summary results along with key documentation will be released on April 30, 2014, followed by a comprehensive report that will include the full set of results and more comprehensive documentation in the summer of 2014.

#### 11<sup>th</sup> ICP Regional Coordinators' Meeting

The 11<sup>th</sup> Meeting of the ICP 2011 Regional Coordinators was held on March 3, 2014 at the United Nations Headquarters in New York. The meeting revolved around the implications of the 11<sup>th</sup> Executive Board meeting decisions; and regional and global publication and communication plans. A plan was established to achieve final results according to the publication deadlines.

#### 45<sup>th</sup> Session of the UNSC

The 45<sup>th</sup> session of the United Nations Statistical Commission was held at the United Nations Headquarters in New York from March 4-7, 2014. On March 6, 2014 the Commission discussed the report from the ICP and the progress in the implementation of the 2011 round.

The Commission applauded the efforts made by the ICP and advised the program to establish the Friends of the Chair group to carry out the evaluation of the 2011 round, for review at the 46<sup>th</sup> or 47<sup>th</sup> Session of the United Nations Statistical Commission in 2015 or 2016. The session may be viewed at:

<http://webtv.un.org/meetings-events/watch/4nd-meeting-statistical-commission-forty-fifth-session/3302568545001>



*ICP Executive Board Meeting, Washington, DC (January 24, 2014)*

## Special Interview with Haishan Fu, Director, Development Data Group, World Bank



**1. Being new to the World Bank, we trust you are not new to the ICP world. How is the foray you are currently making in the global dimension of it different from your previous experience in your then capacity as Director in the Statistics Division of United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)?**

While at ESCAP, I served on the Regional Executive Board as well as the ESCAP Committee on Statistics, both of which supported the ICP in the Asia-Pacific region.

Since joining the Development Data Group at the World Bank in January 2014, my involvement with the ICP has been much more hands-on. As Director of the Development Data Group, where the World Bank Global Office resides, I have supported the Global Office team in their efforts to produce the final results, which is a very strenuous yet exciting undertaking. In my capacity as an ICP Executive Board member, it is our role to oversee the processes and approve final results. Most of the processes were in place by the time I joined, but it was evident at our meetings that the program has relied on the diligent work of all ICP partners including National Statistics Offices, regional coordinating agencies, the Global Office, the Technical Advisory Group, the Executive Board and other ICP governance bodies, as well as the donors. The ICP is complex by nature and my evolving role has fostered a much deeper appreciation for the work involved to achieve reliable and quality ICP results. I am very proud of the unprecedented achievements made by the ICP 2011 as it is the largest and most in-depth program of its kind.

**2. How is the ICP relevant to the World**

**Bank corporate objectives and work program?**

The World Bank aims to end extreme poverty by 2030 and promote shared prosperity for the poorest 40 percent in every developing country. Without the underlying data to show what is happening to the poor, we could not track progress toward meeting these goals. The data needed for defining and monitoring the Bank's twin-goals require improved household surveys, National Accounts, and price indices and of course improved and timely PPPs.

Currently, the Bank uses PPPs for the international poverty headcount index by converting the nominal value of poverty lines measured in local currencies to USD. With the release of the 2011 PPP results, the Bank may revise its estimates of global poverty which is currently based on an extrapolation of the 2005 ICP PPPs. Historically, when the 2005 ICP results were released, the poverty line was revised to \$1.25 per day from \$1.08. Furthermore, the World Development Indicators currently utilize PPPs extrapolated from 2005 and will be updated with the 2011 results once they are published.

**3. What are your expectations from the ICP 2011 results?**

My expectation is that the ICP 2011 results would be very valuable to both academics and policy makers. The ICP is producing improved Purchasing Power Parities (PPPs), real expenditures, and price level indices for GDP and its main aggregates for 199 participating countries/economies. The improved quality and larger country coverage from the 2005 benchmark make this round better than ever. I anticipate that the analytical findings included in the final report and the documentation of the impacts of the new innovations introduced in the ICP 2011 will serve as guidance in further refining the future data collected for PPPs, resulting in both methodological and operational improvements. Given that the program still has room for improvements, it is also great that the weaknesses and limitations of the estimates will be explained.

**4. How do you envision the future of PPP estimation in the light of the problems arising from the comparison between consecutive benchmarks and extrapolated PPPs?**

As the demand for PPPs and ICP data grows,

it becomes more evident that the program needs to be a more regular source of information for data users. Demand calls for timelier price data collection based on a reoccurring schedule such as the rolling benchmark approach. At the 45<sup>th</sup> session of the United Nations Statistical Commission, country representatives specified that ICP activities at the country level should be mainstreamed in the regular statistical program through properly designed national strategies for the development of statistics. This would lead to integrating CPI and ICP as well as ICP and national accounts compilation. The integration of ICP and CPI would allow prices needed for international comparisons to be directly retrieved from CPI databases, which would minimize the additional efforts of collecting prices for regional or global core items.

The program should continue to evolve over time and in effort to track and better understand the underlying factors, the ICP should also look into further research on poverty-specific PPPs. Looking at the possibilities ahead, the program can have a positive impact on improving National Accounts expenditures; collaborating with household survey work; and contributing to harmonizing CPIs.

### Regional Results

Regional results have been released for Eurostat, OECD, CIS and Western Asia. They are being released for Africa, Asia-Pacific and Latin America and the Caribbean in April 2014. The results are available via the ICP website.

### Global Results

The ICP 2011 summary of results for GDP and its main aggregates along with a short report will be released on April 30, 2014, providing PPPs, real expenditures, and price level indices for GDP and its main aggregates for 199 participating countries/economies.

The final report of the ICP 2011 will be released by the end of July 2014, which will provide detailed results and in-depth analysis of volume and per capita measures including detailed information on methodology and country survey coverage.

The results will be posted on the ICP website and can be downloaded from the upcoming ICP portal and ICP DataFinder (iOS and Android Mobile App).