



INTERNATIONAL COMPARISON PROGRAM

SECOND MEETING OF THE TECHNICAL ADVISORY GROUP

COUNTRY OPERATIONAL GUIDELINES AND PROCEDURES

PROGRESS REPORT

May 2018

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Task Force Meeting - October 2017

The Task Force for Country Operational Guidelines and Procedures (TF_03) met in October 2017 to discuss and establish priorities for TF_03. All meeting documents, presentations and minutes are available on the [Task Force's page](#) on the ICP website. Furthermore, the meeting minutes are provided in Attachment 1 to this document.

Three areas have been identified and deliverables for each of the topics are listed below.

Moving Towards Rolling Price Surveys – Deliverables

- Determine the frequency of data collection (annual, biannual, quarterly) for the rolling survey for each aggregate of the GDP;
- Determine the requirements for the rolling price surveys and availability of national account deflators, consumer price indices (CPIs) and other price indices by GDP component to be used in the extrapolation to the reference year; and
- Suggest steps for statistical capacity-building to ensure that CPIs and national account deflators are consistent over time and comparable across countries.

CPI-ICP synergies to improve spatial and temporal price consistency – Deliverables

- Assess areas where harmonizing CPI and ICP processes will create synergies;
- Prepare a set of guidelines for countries to facilitate the process of harmonizing CPI and ICP activities; and
- Conduct case studies of selected countries to evaluate the use of SPDs to better define their national CPI product specifications.

Sub-national PPPs - Deliverables

- Examine the Asian and African experience with sub-national PPPs and formulate guidelines on the use of the CPI product lists and prices to compute sub-national PPPs;
- Analyze temporal consistency of CPI and sub-national PPPs; and
- Expand work on sub-national PPPs to more countries.

Task Force Meeting - March 2018

The Task Force for Country Operational Guidelines and Procedures (TF_03) met for the second time in March 2018. All meeting documents, presentations and minutes are available on the [Task Force's page](#) on the ICP website. Furthermore, the meeting minutes are provided in Attachment 2 to this document.

To achieve the objectives of the Task Force, the following background papers were prepared for discussion at the meeting.

- ***ICP Comparisons and Rolling Price Surveys – David Roberts, Independent Expert***
- ***Touch points of integration: Identifying synergies in CPI and ICP collection and processing of price data – Patrick Kelly, Statistics South Africa***
- ***Background Paper on Sub-National PPPs – Luigi Biggeri, University of Florence***

These background papers were presented and discussed at the TF_03 meeting on March 13. In addition, the following related presentations were made.

- ***Use of deflators for extrapolation and retriapolation of price data in ICP 2011 in different regions, Prasada Rao, University of Queensland***
- ***Case studies on CPI-ICP Integration***
 - *Western Asia, Majed Skaini, UN Economic and Social Commission for Western Asia*
 - *India, Sunil Jain, India Ministry of Statistics and Program Implementation*
- ***Case studies on Sub-National PPPs***
 - *Philippines and the Asia-Pacific Region, Yuri Dikhanov, Global ICP Unit, World Bank*
 - *United Kingdom, Sharne Bailey, UK Office for National Statistics*

Work in Progress for the Task Force Meeting - September 2018

- Paper on the mechanics of implementing a rolling price survey in the ICP context at the country level
- A more fully developed paper on CPI-ICP integration
- Developing a questionnaire to assess the current status of CPI-ICP integration activities in ICP participating countries
- It was agreed that sub-national PPPs will mainly focus on consumption expenditure and document will be prepared with guidelines for countries on how to construct sub-national PPPs.

Attachment 1: Minutes of the First Task Force meeting – October 2017

Minutes of the 1st Meeting of the International Comparison Program (ICP) Task Force on Country Operational Guidelines and Procedures October 25, 2017 World Bank, Washington, DC

Welcome and Meeting Objectives

The first meeting of the ICP Task Force on Country Operational Guidelines and Procedures was held on October 25, 2017 at the World Bank headquarters in Washington, DC.

The main objectives of the meeting were to brief Task Force members on the Terms of Reference for the Task Force and initiate discussions on the assigned research agenda topics. The meeting agenda and list of meeting participants are provided in Annex 1 and 2.

Nada Hamadeh, ICP Global Lead, World Bank, opened the meeting by welcoming participants and emphasizing the close link between the Task Force's outputs and current and future ICP operational work. Next, William Vigil-Oliver, Global ICP Unit, World Bank, presented the [Terms of Reference for the Task Force](#), including the list of Task Force members and a proposed timeline of activities and expected deliverables.

Task Force Topics

A roundtable of presentations and short discussions followed. The presentations covered topics belonging to each of the three research agenda items assigned to the Task Force:

Moving towards rolling price surveys

- [Rolling price surveys: overview, past experiences and potential challenges](#), Marjanca Gasic

CPI-ICP synergies to improve spatial and temporal price consistency

- [The South African experience of integrating PPP and CPI work](#), Patrick Kelly
- [Synergies between CPIs and PPPs and integration of survey activities in Western Asia](#), Majed Skaini

Sub-national PPPs

- [Current approaches to sub-national PPPs](#), Yuri Dikhanov

Agreements and Conclusions

- The Task Force accepted the Terms of Reference and concurred that the proposed timeline of activities and expected deliverables is quite generous.
- Prasada Rao, ICP Technical Advisory Group member, agreed to act as the Task Force coordinator.
- The Task Force agreed to restrict the boundary of sub-national PPP work to Household Consumption
- The Task Force agreed on a set of initial tasks to be completed by February 1, 2018. The distribution of tasks is provided below, along with the responsible Task Force member(s). These tasks would lay

the groundwork for future work by the Task Force. Furthermore, it was noted that the Global ICP Unit stands ready to support all work undertaken by the Task Force.

Research Agenda Item	Task	Responsible
Moving towards rolling price surveys	Write up describing Eurostat’s rolling price survey approach, including a description of the process and summary of Eurostat’s experience. The text should summarize the challenges faced, lessons learned and include information on common implementation and operational concerns, e.g. how to handle new (fast-evolving) products that may require pricing every year. The text would also contain information on the current willingness of ICP regions and countries in adopting the rolling price survey approach and in synchronizing data collection across regions.	David Roberts
	Assessment of the coverage and quality of country’s CPI and national accounts deflators. This includes examining the level of CPI disaggregation (COICOP vs. other classification), degree of CPI coverage (urban vs. national), among other relevant aspects.	Global ICP Unit - IMF
	Summary of how price extrapolation (i.e. a pseudo-rolling price survey approach) was carried out in different regions during the 2005 and 2011 ICP rounds.	Prasada Rao
CPI-ICP synergies	Write up defining the scope of what is meant by CPI-ICP integration and synergies. The text should detail potential synergies and commonalities between CPI and ICP and clearly note what elements are beyond the scope of CPI-ICP integration activities and processes, e.g. CPI-ICP integration should not hinder the quality and relevance of a country’s CPI. The write up should also include two or three case-studies of countries with CPI-ICP integration, e.g. Israel, South Africa, India, Philippines, Morocco, Palestine, etc.	Patrick Kelly, Dilip Kumar Sinha and Majed Skaini
Sub-national PPPs	Write up on subnational <i>consumption</i> PPPs. This should provide a broad introduction to the topic and focus on how to better sell the idea of ICP PPPs. The text should summarize actual and potential uses of sub-national PPPs. It should also include information on ‘big ticket’ items like housing, and provide example of uses, e.g. for poverty analysis.	Luigi Biggeri and Yuri Dikhanov

Any Other Business

- The Global ICP Unit will set-up a [Microsoft OneDrive](#) folder for data and information sharing and invite the Task Force members to join the folder.
- The next meeting of the Task Force will be organized in conjunction with the Inter-Agency Coordination Group meeting, most likely in March 2018.

Annex 1: Meeting Agenda

Wednesday, October 25, 2017

Task Force	Country Operational Guidelines and Procedures
14:00 – 14:30	Background and TORs <ul style="list-style-type: none">– Overall objectives, <i>Nada Hamadeh</i>– Terms of Reference for the Task Force, <i>William Vigil-Oliver</i>
14:30 – 15:00	Moving towards rolling price surveys <ul style="list-style-type: none">– Rolling price surveys: overview, past experiences and potential challenges, <i>Marjanca Gasic</i>
15:00 – 16:00	CPI-ICP synergies to improve spatial and temporal price consistency <ul style="list-style-type: none">– The South African experience of integrating PPP and CPI work, <i>Patrick Kelly</i>– Synergies between CPIs and PPPs and integration of survey activities in Western Asia, <i>Majed Skaini</i>
16:00 – 16:30	Sub-national PPPs <ul style="list-style-type: none">– Current approaches to sub-national PPPs, <i>Yuri Dikhanov</i>
16:30 – 17:00	Way forward

Annex 2: Meeting Participants

Task Force Members

- Dilip Kumar Sinha, India Ministry of Statistics and Program Implementation
- Levan Gogoberishvili, International Monetary Fund
- Patrick Kelly, National Statistical Office of South Africa
- Majed Skaini, UN Economic & Social Commission for Western Asia
- Luigi Biggeri, University of Florence
- Prasada Rao, University of Queensland
- Yuri Dikhanov, World Bank
- William Vigil-Oliver, World Bank

Global ICP Unit

- Nada Hamadeh, World Bank
- Marko Olavi Rissanen, World Bank
- Mizuki Yamanaka, World Bank
- Maurice Nsabimana, World Bank
- Inyoung Song, World Bank
- Hanan AbuShanab, World Bank

Regional Implementing Agencies

- Gregoire Mboya Deloubassou, African Development Bank
- Rees Mpofu, African Development Bank
- Anouar Chaouch, African Development Bank
- Kaushal Joshi, Asian Development Bank
- Marjanca Gasic, Eurostat
- Andrey Kosarev, Interstate Statistical Committee of the Commonwealth of Independent States
- Valerica Accibas, Interstate Statistical Committee of the Commonwealth of Independent States
- Vasily Kuznetsov, Russian Federal State Statistics Service
- Francette Koechlin, OECD
- Federico Dorin, UN Economic Commission for Latin America and the Caribbean
- Maria Paz Collinao, UN Economic Commission for Latin America and the Caribbean

Experts

- Sergey Sergeev, Statistics Austria
- Alan Heston, University of Pennsylvania

Attachment 2: Minutes of the Second Task Force meeting – March 2018

Minutes of the 2nd Meeting of the International Comparison Program (ICP) Task Force on Country Operational Guidelines and Procedures March 12, 2018 World Bank, Washington, DC

Welcome and Meeting Objectives

The second meeting of the ICP Task Force on Country Operational Guidelines and Procedures was held on March 12, 2018 at the World Bank headquarters in Washington, DC. The meeting agenda and list of meeting participants are provided in Annex 1 and 2.

The main objective of the meeting was to discuss progress against the tasks agreed-upon at the [first meeting](#) of the ICP Task Force on Country Operational Guidelines and Procedures and lay out the groundwork for the Task Force's final deliverables.

Prasada Rao, University of Queensland, Task Force coordinator, opened the meeting by welcoming participants, listing the meeting objectives and recapping the [ICP Research Agenda](#) topics assigned to the Task Force. His opening presentation can be found [here](#).

The meeting then welcomed two new members to the Task Force: Sharne Bailey, Head of UK Purchasing Power Parity Branch, Prices Division from the UK's Office for National Statistics; and Sunil Jain, Deputy Director General, Price Statistics from India's Ministry of Statistics and Programme Implementation.

Discussion Topics

A series of presentations and discussions covered the three ICP Research Agenda topics assigned to the Task Force. These are listed below, along with links to presentations made.

1. Moving towards rolling price surveys

- [Eurostat-OECD experience with rolling price surveys](#), David Roberts
- [Use of deflators for extrapolation and retropolation of price data in ICP 2011 in different regions](#)
Prasada Rao

2. CPI-ICP synergies to improve spatial and temporal price consistency

- [Identifying synergies in CPI and ICP collection and processing of price data](#), Patrick Kelly
- Case Studies:
 - [Western Asia](#), Majed Skaini
 - [India](#), Sunil Jain

3. Sub-national PPPs

- [Compilation of sub-national PPPs](#), Luigi Biggeri
- Case studies:
 - [Philippines & Asia-Pacific Region](#), Yuri Dikhanov
 - United Kingdom, Sharne Bailey

Agreements and Conclusions

- The meeting was reminded that the final deliverables of the Task Force consist of three documents which will cover the three ICP Research Agenda topics it was assigned. The three documents will be submitted to the ICP Technical Advisory Group (TAG) for approval in Q4 2019.
- Based on the meeting discussions and presentations, the Task Force agreed on the following recommendations for each of the three final deliverables:
 - *Moving towards rolling price surveys*

A guideline paper will be prepared on the mechanics of implementing a rolling price survey in the ICP context at the country level. The OECD and Eurostat experience will serve as benchmark. The paper will not only detail how to implement the rolling price survey, but will also discuss the feasibility of the approach given the coverage and quality of existing price deflators. Furthermore, the paper may explore the status of the rolling price survey in each region and whether it is possible to estimate PPPs on an annual basis in each region.
 - *CPI-ICP synergies to improve spatial and temporal price consistency*

A guideline paper will be prepared on CPI-ICP synergies and integration using as building block Patrick Kelly's note on identifying synergies in CPI and ICP collection and processing of price data. The meeting concurred on the need to define precisely what is and is not meant by "CPI-ICP integration". Moreover, the guideline paper will also include country case studies on instances of CPI-ICP synergies and integration in various regions. On this front, it was agreed that to better capture the extent to which CPI-ICP synergies and integration exist, a short country questionnaire on the topic will be developed by Prasada Rao and Patrick Kelly.
 - *Sub-national PPPs*

A document will be prepared with guidelines for countries on how to construct sub-national PPPs. It will include information on how CPI and ICP data can be used for this endeavor.
- A note on the Task Force's interim work on all three topics will be presented at the next TAG meeting in May 2018.
- The next meeting of the Task Force will be organized in conjunction with the Inter-Agency Coordination Group meeting in September 2018.

Annex 1: Meeting Agenda

2nd Meeting of the Country Operational Guidelines Task Force
March 12, 2018
World Bank, 1818 H St. NW, Washington, DC
Agenda

- 14:00 – 14:15** **Introductory remarks**
- Task Force task list and meeting objectives, *Prasada Rao, University of Queensland*
- 14:15 – 15:30** **Rolling Price Surveys and ICP**
- OECD-Eurostat experience with rolling price surveys, *David Roberts, Independent Expert*
 - Use of deflators for extrapolation and repolation of price data in ICP 2011 in different regions, *Prasada Rao, University of Queensland*
 - Discussion and way forward
- 15:30 – 16:30** **CPI – ICP synergies**
- Identifying synergies in CPI and ICP collection and processing of price data, *Patrick Kelly, National Statistical Office of South Africa*
 - Case studies:
 - Western Asia, *Majed Skaini, UN Economic and Social Commission for Western Asia*
 - India, *Sunil Jain, India Ministry of Statistics and Program Implementation*
 - Discussion and way forward
- 16:30 – 17:15** **Sub-national PPPs**
- Compilation of sub-national PPPs, *Luigi Biggeri, University of Florence*
 - Case studies:
 - Philippines & Asia-Pacific Region, *Yuri Dikhanov, Global ICP Unit, World Bank*
 - United Kingdom, *Sharne Bailey, UK Office for National Statistics*
 - Discussion and way forward
- 17:15 – 17:30** **Conclusions and recommendations, *Prasada Rao, University of Queensland***

Annex 2: Meeting Participants

Task Force Members

- Sunil Jain, India Ministry of Statistics and Programme Implementation
- Patrick Kelly, National Statistical Office of South Africa
- Sharne Bailey, UK Office for National Statistics
- Majed Skaini, UN Economic & Social Commission for Western Asia
- Luigi Biggeri, University of Florence
- Prasada Rao, University of Queensland
- David Roberts, Independent Expert
- Yuri Dikhanov, World Bank
- William Vigil-Oliver, World Bank

Global ICP Unit

- Nada Hamadeh, World Bank
- Marko Olavi Rissanen, World Bank
- Mizuki Yamanaka, World Bank
- Maurice Nsabimana, World Bank
- Inyoung Song, World Bank
- Hanan Abu Shanab, World Bank

Regional Implementing Agencies

- Fessou Emesan Lawson, African Development Bank
- Gregoire Mboya Deloubassou, African Development Bank
- Rees Mpofo, African Development Bank
- Michel Mouyelo-Katoula, African Development Bank Consultant
- Kaushal Joshi, Asian Development Bank
- Paulus Konjin, Eurostat
- Valerica Accibas, Interstate Statistical Committee of the Commonwealth of Independent States
- Vasily Kuznetsov, Russian Federal State Statistics Service
- Francette Koechlin, OECD
- Bruno Lana, UN Economic Commission for Latin America and the Caribbean
- Maria Paz Collinao, UN Economic Commission for Latin America and the Caribbean
- Norma Chhab-Alperin, UN Economic Commission for Latin America and the Caribbean Consultant

Other Participants

- Marshall Reinsdorf, International Monetary Fund
- Margarida Martins, International Monetary Fund
- Bettina Aten, United States Bureau of Economic Analysis
- Sergey Sergeev, Statistics Austria
- Robert Hill, University of Graz
- Alan Heston, University of Pennsylvania