3rd Executive Board Meeting

Washington DC, October 18, 2010

ICP 2011 Progress Report

As of November 10, 2010
# Table of Contents

1 Introduction .................................................................................................................. 3
2 TAG governance and program ...................................................................................... 3
   2.1 Appointment of the Chair ..................................................................................... 3
   2.2 New TAG members .............................................................................................. 4
   2.3 TAG’s work program ............................................................................................ 5
3 Progress in the preparatory activities and readiness for 2011 data collection .......... 6
   3.1 Governance aspects ............................................................................................ 6
   3.2 Special participation issues .................................................................................. 9
   3.3 Operational materials and tools ........................................................................... 10
   3.4 Readiness for 2011 activities .............................................................................. 12
   3.5 Capacity building activities and assistance to the regions .................................. 13
   3.6 Outreach activities ............................................................................................. 13
4 Work plan ..................................................................................................................... 13
   4.1 Data and metadata requirements .......................................................................... 13
   4.2 Overall timetable .................................................................................................. 14
   4.3 Short term milestones ......................................................................................... 14
5 Data access policy ....................................................................................................... 15
1 Introduction

The present status report is an update of the interim report submitted to the Executive Board on June 30, 2010. Emphasis is laid herein on all preparatory activities aimed at ensuring that the field work can start in the participating countries in January 2011.

At the Global level, the ICP Global Office at the World Bank pursued its fund raising efforts, coordinated the methodological development activities through the preparations of the meetings of the Regional Coordinators (RCs) and the Technical Advisory Group (TAG), as well as the preparation of operational material needed for the implementation of price surveys and the compilation of detailed GDP expenditures. The Global Office also reviewed the draft of the proposed 2011 ICP data access policy.

At the regional level, the regional coordinators contributed to the finalization of the Global Core List of household product specifications and developed their own regional list of items. They also took the necessary steps for the creation of regional advisory boards and conducted several technical workshops.

The above is described in this report as evidence that, apart from some specific cases, the countries, the regional coordinating agencies and the Global office are ready to start the surveys in early 2011. It comprises four main sections related to: (a) TAG governance and program; (b) progress in the preparatory activities and readiness for 2011 data collection; (c) work plan; and (d) data access policy.

Decision Items

The Board will be invited to make four critical decisions:

1. appoint a new chair and a deputy chair for the TAG
2. approve new memberships to the TAG
3. grant its green light for starting the ICP field and desk activities in January 2011
4. endorse the proposed 2011 ICP Data Access Policy

2 TAG governance and program

2.1 Appointment of the Chair

The process of identifying and selecting the new TAG chair was led by Oystein Olsen, Chair of the ICP Executive Board, who proposed a two-pronged approach: a written procedure that was completed on September 8, 2010 and the formal appointment to be made at the current meeting. The Chair thoroughly examined the options at hand and indicated that “considering all TAG members as potential candidates, I reviewed their availability and qualifications of each and everyone against the above-mentioned criteria and have come up with the best “ticket” possible: Paul McCarthy and Fred Vogel. They have both demonstrated a high sense of dedication, availability and professionalism coupled with team spirit and networking, and they are equally appreciated and respected in the TAG.”
This proposal was extensively discussed by the Board members through electronic exchanges, and they all agreed that “at present a new chair has to be appointed among the present TAG members. This person should, in addition to professional skills, be strongly dedicated to the progress of the overall ICP program, and represent a driving force in implementing practical solutions in the various areas”. They approved the Chair’s follow-up solution of:

1- securing continuity and progress in the ICP program by appointing Paul McCarthy as chair, together with Fred Vogel as deputy-chair;

2- confirming these appointments at the current meeting; and

3- identifying new TAG members, preferably from the academic world, among whom new TAG chair/deputy-chair could be appointed in the future.

**Proposed Decision 1.**
The Executive Board is invited to appoint Paul McCarthy as the new chair of the TAG and to renew Fred Vogel’s mandate as deputy.

### 2.2 New TAG members

At its last meeting in February 2010, the Board allowed two experts (Robert Hill and Marcel Timmer) to join the TAG as observers to ensure proper generation renewal and reiterated the necessity to also include observers from Southern Countries on the TAG.

The latter recommendation has become more pressing in the light of the e-discussion about the appointment of the chair, as briefly reported above. In this regard, three candidates are being proposed to the Board for full membership. These are Robert Hill and Marcel Timmer who would thus be upgraded from observers to full members and a new candidate, Julian Douglas May, the first full member ever from a developing country.

<table>
<thead>
<tr>
<th>The First TAG Candidate from Southern Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Julian Douglas May</td>
</tr>
<tr>
<td>(51-years-old)</td>
</tr>
<tr>
<td>South African</td>
</tr>
<tr>
<td>Professor</td>
</tr>
<tr>
<td>Research Chair in Applied Poverty Reduction Assessment</td>
</tr>
<tr>
<td>School of Development Studies</td>
</tr>
<tr>
<td>University of KwaZulu-Natal</td>
</tr>
<tr>
<td>Ph.D. University of KwaZulu-Natal</td>
</tr>
<tr>
<td>M. Soc. Sc., (Development Studies), University of Natal</td>
</tr>
<tr>
<td>Hons., (Economics), University of Natal</td>
</tr>
<tr>
<td>Member of the Economics Society of South Africa</td>
</tr>
<tr>
<td>Member of the Technical Advisory Group for the Grassroots Focus Index, a pan-African project being undertaken by the African Monitor.</td>
</tr>
<tr>
<td>Member of the Technical Advisory Group for eEarn, a four-country study of the contribution of ICT to micro-enterprises.</td>
</tr>
<tr>
<td>Member of the Steering Committee and the Technical Advisory Group of the South African National Income Dynamics Study.</td>
</tr>
<tr>
<td>Member of the international reference group of the Chronic Poverty Research Centre, University of Manchester.</td>
</tr>
</tbody>
</table>
**Proposed Decision 2.**

The Executive Board is invited to confirm Robert Hill and Marcel Timmer and to approve Julian Douglas May’s candidacy as full TAG members.

### 2.3 TAG’s work program

As already confirmed to the Board, the TAG work program only includes research and discussions on methodological aspects aimed at improving the field operations and desk work to be carried out by the countries, the regional offices and the Global Office. Only pertinent and highly necessary improvements will be introduced, as per the recommendations made by the various governance bodies following the ICP-2005-based findings of the Friend of the Chair. It is noted that in Time-related Priority section (Table 1) Short term refers to works that have to be carried out in 2011 while Long term is for topics which will be covered beyond 2012.

To increase the relevance of the TAG’s activities, its work program as adopted in June 2010 comprises three categories of topics: essential and operational; essential but non-operational; and non essential topics. Activities under the first category are considered a high priority as the resulting methodological improvement will feed into the field and desk activities to be carried out in 2010 and 2011. Three of these activities were completed in the TAG’s June meeting. Those include Owner-occupied Housing; Measurement of Government Outputs; and Survey Frameworks. Three other are being completed and the resulting methodologies will be tabled in the TAG meeting on October 20, 2010; they relate to Construction and Civil Engineering; Machinery and Equipment; and Education Services.

The second category of topics relates to methodological development related to the processes of: (i) linking regional PPPs into global results using the global core list approach; and (ii) back-casting and PPP revisions.

The third category of topics includes research on applications and by-products of the ICP, such as sub-national PPP methods.

<table>
<thead>
<tr>
<th>Cat.</th>
<th>Topic</th>
<th>Time-related Priority</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Owner-occupied housing</td>
<td>Short term</td>
<td>Adopted</td>
</tr>
<tr>
<td>1</td>
<td>Measurement of government outputs</td>
<td>Short term</td>
<td>Adopted</td>
</tr>
<tr>
<td>1</td>
<td>Survey frameworks</td>
<td>Short term</td>
<td>Adopted</td>
</tr>
<tr>
<td>1</td>
<td>Construction PPPs</td>
<td>Short term</td>
<td>To be approved in October</td>
</tr>
<tr>
<td>1</td>
<td>Education</td>
<td>Short term</td>
<td>To be approved in October</td>
</tr>
<tr>
<td>1</td>
<td>Machinery and Equipment</td>
<td>Short term</td>
<td>To be approved in October</td>
</tr>
<tr>
<td>1</td>
<td>Health</td>
<td>Medium term</td>
<td>Ongoing research</td>
</tr>
<tr>
<td>1</td>
<td>Productivity Adjustments</td>
<td>Short term</td>
<td>Adopted - data requirements to be defined</td>
</tr>
<tr>
<td>Cat.</td>
<td>Topic</td>
<td>Time-related Priority</td>
<td>Status</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------------------------</td>
<td>-----------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>2</td>
<td>Linking regional PPPs into global results</td>
<td>Medium term</td>
<td>Ongoing research</td>
</tr>
<tr>
<td>2</td>
<td>Net Exports and net purchases abroad</td>
<td>Long term</td>
<td>Adopted</td>
</tr>
<tr>
<td>2</td>
<td>Financial services</td>
<td>Long term</td>
<td>Adopted</td>
</tr>
<tr>
<td>2</td>
<td>PPP-based poverty analysis</td>
<td>Long term</td>
<td>Ongoing research</td>
</tr>
<tr>
<td>2</td>
<td>Back-casting and PPP revisions</td>
<td>Long term</td>
<td>Ongoing research</td>
</tr>
<tr>
<td>3</td>
<td>Sub-national PPPs</td>
<td>Long term</td>
<td>Ongoing research</td>
</tr>
</tbody>
</table>

### 3 Progress in the preparatory activities and readiness for 2011 data collection

The purpose of this section is to provide a brief report on the progress made since February 2010 to ensure that almost all the ICP countries, the regional coordinating agencies, and the Global Office are ready for the start of price surveys and national accounts work in January 2011 as well as the related coordination activities.

The section will review governance and organizational issues, including the participation of the Caribbean, Pacific Islands, Georgia, and Iran, as well as the participation of some countries in two regional programs simultaneously. It will provide an overview of the operational materials and tools that were prepared by the Global Office, and the capacity building activities that took place at the global and regional level to prepare for the 2011 data collection. By way of conclusion, an analysis of readiness will be presented to further inform the Board’s decision on the start of countries’ work in next January.

This section will also cover the outreach activities undertaken so far, especially the preparations for the ICP users’ conference and the revamping of the ICP website.

#### 3.1 Governance aspects

As was reported in the interim progress report circulated to the Board in June 2010, two governance meetings were held at the global level since the last meeting of the Board: the 2\textsuperscript{nd} Regional Coordinators meeting held from April 14-16, 2010 in Washington DC and the 3\textsuperscript{rd} meeting of the TAG in Paris, France, from June 10-11, 2020.

At the regional level, each regional coordinating agency organised at least one regional workshop.

**Africa**

Two regional workshops were organized. The first workshop took place from June 14-25, 2010 in Nairobi, Kenya, in two parts. From June 14-23, 2010, a technical meeting brought together Price Statisticians and National Accounts experts from participating countries and was mainly devoted to technical information and the organization of technical operations. The second part (June 24-25, 2010) was devoted to the heads of national statistical offices and regional/sub-regional statistical...
institutions and representatives from Regional Economic Commissions (RECs) and dealt mainly with policy and financial issues.

The second workshop was held in Hammamet, Tunisia, from August 29 to September 3, 2010. The main objective was to ensure that the Africa region is ready for the ICP 2011 field and desk activities to be implemented in 2010 and 2011. This entailed finalizing the regional list and identifying its sub-regional components, undertaking the initial activities related to GDP breakdown, and preparing for other price data collection related activities.

**Asia**

Two series of regional meetings were organized since February 2010. The first one was a two-stage governance meeting of the ICP Regional Advisory Board (May 20, 2010) and the Heads of National Implementing Agencies (May 20-21, 2010) held at the ADB headquarters in Manila, Philippines. The meetings were organized to formalize the implementation of the 2011 ICP - Asia Pacific. Regional Advisory Board elected their chair and discussed the overall direction and guidance in the implementation of the 2011 ICP in the region. The Heads of National Implementing Agencies finalized the regional work program and deliberated on the institutional arrangements; data requirements; and proposed methods for the 2011 ICP.

The second series of workshops were also held in Manila, Philippines. It comprised a technical meeting from June 11-22, 2010, which focused on the product list development and the preliminary sampling, and another one from August 9-12, 2010, which aimed at reviewing and evaluating the preliminary Supply and Use Tables.

A third workshop on sampling and survey framework for the 2011 ICP was scheduled for September 27 – October 1, 2010 to discuss countries' survey framework and sampling plan. This includes: sample size determination, geographic coverage, outlet selection, frequency of price collection together with number of products and number of quotations per product.

**CIS**

The 43rd Meeting of the Council of the Heads of Statistical Services of the CIS was held in Minsk, Belarus, on August 23, 2010. The agenda of the meeting included the progress in the implementation of the International Comparison Program in the CIS region. It was followed by a technical seminar (August 23-24, 2010) to discuss the main methodological and organizational aspects of the progress with specific emphasis on price collection and processing as well as PPP computation.

Two other workshops will take place before the end of the year: in November 2010, price experts will review the product list, and in December 2010, national accountants will address issues pertaining to the compilation and disaggregation of GDP.

**Latin America and Caribbean**

As part of a Statistical Capacity Building project for Latin and Central America, three workshops were organized over the period July-September 2010. The first workshop took place from July 21-23 in Mexico City, Mexico. Representatives from ten Central American countries participated in this workshop, which main objectives were to build the regional list of products and services to be
used in the ICP price collection and to develop a strategic framework and implementation plan for building capacities in price statistics, with a focus on the harmonization of statistical practices. The second workshop took place from August 18-20 in Paraguay, with the same objectives as the Mexico workshop. Technical CPI experts from South American countries except Argentina and Uruguay participated in the workshop. The third workshop took place from September 28-30, 2010 in Chile, with the objective of initiating the harmonization of national accounts processes in Latin American countries, and discussing national accounts requirements for the ICP.

A high level meeting of the heads of national statistical offices to launch the 2011 Round of the ICP in the Caribbean took place on July 24, 2010 in Barbados. Delegates from twenty-one Caribbean islands participated in the meeting. Countries were represented by the heads of their NSOs, who expressed their commitment to participate in the 2011 Round.

**Western Asia**

To kick off the ICP in the region, a high level meeting was organized in Beirut, Lebanon, on July 20, 2010, with attendance from the heads of national statistical offices of all fourteen participating countries. The objective of the meeting was to learn about the developments in the new 2011 Round of the program and the governance structure, and to participate in sharing views about national commitments and fundraising strategies. The meeting also aimed at forming the ICP Regional Advisory Board for the 2011 ICP Round and discussing regional work plan and budget.

It was followed by a technical workshop where national coordinators learned about the methodological developments of the new round, reviewed the structural arrangements at national level and discussed technical issues concerning the survey framework, national accounts, the list of products and others relevant matters.

The second workshop was scheduled from October 4-7, 2010 in Amman, Jordan, with the objective of reviewing each country’s readiness for 2011 activities, learning about the methodological improvements, reviewing the price survey frames, forms and guidelines, discussing the amalgamated regional list of products, agreeing on the dwelling services approaches to be implemented, preparing for activities related to Government Occupations, starting the National Accounts activities, reviewing the price survey instruments and attending a demo session on the ICP software tools.

**OECD - Eurostat**

MoU between Eurostat, OECD and the World Bank was signed in April 2010.

Price collection for the ICP global core list of products for household goods and services has started even before the finalisation of the list.

- The spring 2010 survey on "House and garden" products (e.g. household durables, consumer electronics) was the first to include explicitly ICP global core list items. About 50 of the total list of nearly 500 products were marked as ICP items, 10 of which were added specifically for ICP purposes. For countries coordinated by Eurostat, the data are currently in validation, but it can already be said that the 50 ICP items have been priced very well by countries: most items have been priced by nearly all countries. For countries coordinated by OECD, the timetable is slightly different and data will be transmitted at the end of the year.
On 1 October the price collection for the second 2010 survey on "Transportation, restaurants and hotels" started. Again, about 50 ICP products are marked in the list (which contains in total about 350 products). Again, about 10 items were added specifically for ICP purposes. The data will be transmitted by 15 December for countries coordinated by Eurostat and beginning of next year by countries coordinated by OECD.

Other surveys are running their normal course. For equipment goods, OECD - Eurostat anticipate to include extra ICP items in the 2011 survey. For construction, ICP methodology is not yet defined, so no special preparations could be undertaken.

Eurostat will publish revised 2007, 2008 and 2009 PPPs in December 2010, following the regular production calendar. Around the same time, OECD will publish the results of the 2008 benchmark.

### 3.2 Special participation issues

#### Caribbean Islands

The ICP program in the Caribbean will be coordinated by UN-ECLAC, in collaboration with CARICOM. The Standing Committee of Caribbean Statisticians (SCCS) will assume the role of Sub-regional Advisory Board and will be responsible for providing guidance on the implementation of the ICP in the Caribbean. Given the overlap between ICP surveys and Census activities, the countries have agreed to undertake ICP price data collection in 2011/2012. Technical assistance in the areas of price data and national accounts are being provided by UN-ECLAC, CARICOM, CARTAC, and the Global Office.

#### Georgia

As previously reported to the Board, Georgia will participate in the program under special arrangements for which the necessary funding was secured.

In 2005, Georgia participated in the CIS region. As Georgia is no longer a member of the CIS, an alternative approach is required for 2011. It is proposed that Georgia carries out a bilateral comparison with Armenia. Armenia, which is still a member of the CIS, will be the bridge between Georgia and the CIS region and the CIS region will be the bridge between Georgia and the other regions of the 2011 global comparison.

The bilateral comparison between Georgia and Armenia will be based on the product lists used for the 2011 CIS comparison. The lists will be modified to include products specific to Georgia and Armenia and both countries will be encouraged to price as many items from the Global Core product list as possible. The bilateral comparison will use the same breakdown of final expenditure on GDP as that employed for the CIS comparison.

Millennium Challenge Georgia will provide funding for the initial activities. The Global Office will provide technical assistance to Georgia and additional funding.

#### Turkmenistan

The State Committee of Turkmenistan on Statistics expressed their intention to participate in the ICP 2011 under the frameworks of either the OECD/Eurostat PPP program or the Asia-Pacific
Regional program. As their request is unlikely to be accommodated by OECD, Eurostat and ADB, Turkmenistan may consider participating in the CIS program.

**Iran**

Given the Asian Development Bank (ADB) decision not to accommodate the Islamic Republic of Iran in their regional program, a special arrangement is being sought after, whereby Iran may participate in a bilateral comparison with Tajikistan, similar to the Georgia-Armenia exercise.

**Argentina**

Argentina’s participation in the Latin America and the Caribbean has not been confirmed yet, and there is a risk that it may not participate in the 2011 ICP.

**Pacific Islands**

While Fiji will participate in the program under ADB’s coordination, the situation of other Pacific countries is still being weighed up by the Australian Bureau of Statistics in terms of which ones could participate, the potential capacity building benefits and likely risks, as well as the modus operandi that will best befit the economic, geographical and capacity of the countries. The likely working assumption is that the countries will commence price collection in early 2012 for a list of products that will be derived from the Global Core List and a Pacific core list of items.

**Dual participation**

To ensure that the results for countries participating in two different regional programs of the ICP are processed in a consistent manner and also that discrepancies are minimized, it is recommended that the regional coordinators should share price and GDP information about a dual country for harmonization purposes. This is particularly critical for Sudan and Egypt, since both countries participate in the Africa and Western Asia programs.

To avoid dual participation, Chile and Mexico have decided to participate fully in the OECD PPP program, and as observers only in the ICP exercise in Latin America and the Caribbean.

**3.3 Operational materials and tools**

In preparation for the 2011 price data collection and national accounts activities, the ICP Global Office prepared operational materials covering various areas. For the ICP main survey, the ICP Global Core List, survey framework guidelines, and data collection forms were developed. Forms and guidelines were also prepared for conducting housing rental surveys, collecting indicators on volume of dwellings, and compiling the data on compensation of employees. On national accounts, the Global Office prepared guidelines for the disaggregation of GDP expenditures and forms to guide the countries in compiling national accounts data for the ICP along with explanatory notes. A detailed explanation of the user cost method for housing was also prepared. All these operational materials were translated into French, Arabic, and Spanish. The ICP Global Office plans to prepare and translate operational materials for the Gross Fixed Capital Formation surveys before the end of December 2010.
The final version (Version 5.2) of the Global Core List (GCL) of 601 items to be priced for the main survey on household consumption was sent to all the regions in August 2010. It was developed through a participatory and iterative process which makes it a truly global list in that it reflects comments and proposals provided by the regional and national coordinators from all the regions as well as OECD and Eurostat.

The recommendation for the countries in pricing the GCL would be to price only items that are relatively easily available and deemed important. In this way, although the entire Global Core list contains 601 items, the extra load per country is expected to be as low as 100-300 items. More importantly, when the GCL and the regional items are properly amalgamated, this strengthens the intra-regional links. Regional PPPs based on both the GCL and regional lists will be used in computing global PPPs, and regional fixity will be imposed on the globally-computed PPPs.

The GCL is available in 4 languages (Arabic, English, French, and Spanish), both in EXCEL SPD form and in WORD printable format. To help the countries identify the various products, three bi-lingual catalogues (English-Arabic; English-French; English-Spanish) are being prepared, in which each item is illustrated with a colour picture.

Survey Framework and Forms

In line with the approved survey framework guidelines, survey forms to be used for price data collection were prepared. Each region/country can customize these forms while ensuring that all required parameters are collected in the field and reported. Survey forms were translated into French, Arabic and Spanish.

Guidelines for disaggregating GDP expenditure data

Countries are expected to provide GDP estimates and detailed expenditures at basic heading level for the latest available year [between 2006 and 2009] as well as for the reference year 2011. They will also furnish the relevant metadata, in terms of the sources of data, the adjustments made, the underlying assumptions, etc. This will include a review of the price formation for some major goods and services and commodity flows for selected categories of goods and services. To facilitate that, they will use five National Accounts forms developed by the Global Office and revised on the basis of comments provided by the regional coordinators and some national coordinators.

ICP-Kit

Building on lessons learnt from the 2005 ICP Round, the Global Office is developing the 2011 ICP Kit as a comprehensive set of physically independent but logically integrated software modules to coordinate data collection and data processing during the 2011 Round. The list of modules comprises: country modules for Household Consumption, Government Compensation, and National Accounts, as well as a Regional Module.

These first four modules are ready for testing and dissemination. The regional module will handle setup, inter-country validation including diagnostics, and index processing for all price survey data, while country modules for Household Consumption items and Compensation of Government Employees will cover the setup, implementation, price averaging and intra-country validation of...
prices. The National Accounts module will both help process the disaggregation of GDP expenditures and validate them across the countries. These modules will be ready for use before ICP operations start in January 2011.

To facilitate data and metadata exchange between the Global Office, ICP Regions and participating countries, the ICP Kit modules are being provided in Arabic, English, French, and Spanish. Each module will have dedicated documentation such as user’s guides and training materials.

Other EXCEL-based modules, some of which are being developed or updated from existing tools, will be used to process specific surveys related to Machinery and Equipment, Construction, and Housing.

### 3.4 Readiness for 2011 activities

This section contains a review of the status of readiness to undertake ICP price surveys and national accounts activities in 2011 on the basis of which the Board is expected to give the green light to start these activities in January 2011.

For this decision to be well-informed, each region was requested to prepare a regional report on the readiness for the 2011 Round. These regional readiness reports are presented to the Board in a separate document.

The areas covered in each regional report include: coordination, country participation and funding aspects; (ii) a summary of the main regional activities, including the meetings on the launch/inception of the regional program and an indication of programmed activities for 2010-2011; (iii) the status of the development of the consolidated regional product list and a description of the underlying participatory approach; (iv) the status of preparation for National Accounts work related to GDP breakdown; (v) the preparation/customization of operational materials needed by the countries; and (vi) a conclusive review of country readiness for 2011. To facilitate the latter review, the Global Office prepared a very short country readiness questionnaire in English, Arabic, French, and Spanish to be completed by each participating country.

Where interim ICP activities are being implemented to update 2005 PPPs to 2009, the regions were requested to report on them as an additional evidence of the region’s preparedness for 2011.

---

**The 10-Criterion Country Readiness Questionnaire**

Each country was requested to confirm whether the following aspects will be met by December 2010, so that they will be ready to start ICP Price Surveys and National Accounts Work in January 2011?

1. Establishing the ICP team
2. Logistical preparations
3. National Work Plan and Timetable
4. Sampling Frames for Price Data Collection and Guidelines for Outlet Selection
5. Product Specification Work
6. Preparation and Printing of Data Collection Forms
7. Assessment of Technical Assistance Needs for Price Surveys
8. Availability of National Accounts Forms and Guidelines for the ICP
9. Compilation of Preliminary Estimates for GDP and Major GDP Aggregates for the Latest Year
10. Assessment of Technical Assistance Needs for National Accounts
The regional readiness reports and what the Global Office staff have witnessed firsthand at the regional workshops, allow us to safely conclude that Africa, Asia, CIS, Latin America, Western Asia, and Georgia will be able to start the activities in early 2011.

**Proposed Decision 3.**
The Board is requested to give its green light for the start of the ICP work in the countries in January 2011.

### 3.5 Capacity building activities and assistance to the regions

The ICP Global Office provided support to the ICP Regional Coordinating agencies in various areas. The Global Office contributed to the development of workshop agendas and provided international experts to lead some sessions. The Global Office also helped facilitate technical sessions in regional workshops in Asia, Africa, Latin America and the Caribbean, and Western Asia. Topics included survey frameworks, product lists, national accounts, government, housing, and software. The ICP Global Office was also represented in high level meetings in Asia, Africa, Western Asia and the Caribbean, and contributed to the discussions. Technical assistance was provided in: (i) building the ICP regional list of items; (ii) incorporating the Global Core List into the regional lists; (iii) developing the matrix of availability and importance; (iv) national accounts preparatory activities; and (v) translation of operational materials into regional languages. The Global Office financed exploratory missions to Caribbean countries to examine the preparedness of countries to conduct ICP activities.

### 3.6 Outreach activities

To promote the use of ICP data and methodologies, the Global Office has re-developed the ICP website anew. The new website reflects better the structure and organizational chart of the ICP 2011 and includes all working documents of ICP meetings as well as the operational material needed to implement the 2011 Round. A new ICP brochure was also created and translated into various languages. More importantly, the preparations of ICP users’ conference, which will take place on October 19, 2010, are being finalized.

### 4 Work plan

#### 4.1 Data and metadata requirements

The work plan is designed with the objective of ensuring that all regional coordinating agencies will provide the required average price data, the GDP expenditures and all related metadata in a timely fashion.

According to the quality requirements approved by the ICP 2011 Executive Board, with regards to data submission under the 2011 MOUs, the regional coordinators are required to:

- Periodically during the data collection period, submit to the ICP Global Office, preliminary national average prices for the regional items including the Global Core items, related statistics, detailed GDP expenditure breakdowns, and information describing the national price survey frameworks, validation and averaging processes, as well as national accounts methodology and metadata to the ICP Global Office for comparisons across regions to
ensure consistent and comparable methods are being used for the compilation and validation of ICP-related national accounts statistics as well as for price data collection, validation and analysis.

- Submit final national annual average prices for the regional items including the Global Core items and ICP-related national accounts data as well as relevant methodological, metadata and consistency reports to the ICP Global Office on the agreed upon time table.

In addition to the above, regional coordinators must provide a set of validation indicators required for assessing data quality. This includes: (i) Quaranta and Dikhanov tables for annual average prices; (ii) validation tables for national accounts expenditure data; (iii) validation tables on the aggregation process; and (iv) metadata on price surveys, including survey frame, periodicity, and coverage.

It is worth underlining that, as far as other GDP components are concerned, all the ICP regions will use the same lists of items for Government services, health, education, machinery and equipment, as well as construction and civil engineering. These “Global Core” lists are being developed by the Global Office and approved by the TAG. All relevant detailed prices will be submitted by the countries through their respective regional coordinating agencies for validation and processing by the Global Office. In principle, these are the only prices, the very prices which will be used by the regional coordinating agencies to compute their regional PPPs, whereas the Global Office will also use them to generate global PPPs. This partakes of the spirit of ensuring utmost consistency between the regional and global levels of PPP computation.

Activities aimed to generate the information above will be conducted according to the following work program.

4.2 Overall timetable

The overall timetable for the 2011 ICP is presented in the attached Annex. The activities are organized under the following main headings: (1) management, fund-raising, and advocacy; (2) meetings; (3) capacity building, documentation, quality and software; (4) methodology; (5) price survey preparations; (6) price data collection, validation and transmission; (7) national accounts implementation for ICP; and (8) preparation of regional and global results.

4.3 Short term milestones

In the short run, the key milestones are the following:

Product list development and review
- The finalization of product list development for the main price survey. The amalgamated regional lists should be submitted to the Global Office by October 30, 2010, and the relevant matrix of important items is expected by November 15, 2010.

Survey framework development
- Based on the Global Office’s guidelines, countries should develop their survey frameworks by November 15, 2010.

Initial activities related to GDP disaggregation – Before the end of 2010.
The countries should provide early estimates of the expenditure values for the GDP major aggregates for the latest year for which this is possible (2006, 2007, 2008 or 2009);
They should undertake preliminary breakdown of GDP expenditures for that year.
They should also provide all relevant metadata.

Methodological Development
The improved methodologies for construction and education services, as well as the new specifications for machinery and equipment will be submitted to the joint meeting of TAG and RCs on October 20, for approval.
The methodology on health services is still being developed and should be submitted to the TAG at its first 2011 meeting

Price Surveys on Household Consumption Items
Price surveys will start in January 2011 in all the regions, except in the Caribbean and Pacific countries [end of 2011]. The start of surveys in Iran and Turkmenistan is yet to be determined.

5 Data access policy
Given the proposed new direction of the 2011 Round in terms of responding to user’s needs by providing wider access to detailed data and increasing the focus on metadata, and given the new innovations of the round that will result in valuable price and national accounts information, there needs to be a policy on data access and archiving to guide practice in these areas. This is the primary purpose of the 2011 ICP Data Access and Archiving Policy being submitted to the Board in a separate document, the main aspects of which is summarised hereunder.

Since the February Executive Board meeting, the Global Office, with the help of regional coordinating agencies surveyed country positions with regards to data access. This was done through a questionnaire that was translated into various languages. The questionnaire was sent to countries in Africa, Asia, Latin America, CIS, and Western Asia.

Until date, forty six countries responded to the questionnaire. The results from the country responses are summarized below:

- PPPs, Price Level Indexes, and Expenditure data at the Basic Heading Level: The vast majority of countries (82%) support the release with Basic Heading level under reasonable conditions such as those outlined in the draft policy on data access.
• National Average Price Data at the Product Level: The majority of countries (70%) support the release of this data. Not surprisingly, this is lower than those supporting the release of data at the Basic Heading Level but it is still a sizeable majority.

• Individual Price Observations (microdata): Not surprisingly, the majority of countries (65%) cannot provide microdata for legal and other reasons.
Based on the country responses, the 2011 policy was formulated. It is quite similar to the 2005 policy. The main changes to the application of the 2005 policy are that approved researchers would have access to national average price data at the product level. The main principles of the 2011 policy are:

- PPPs, Price Level Indexes and Expenditure data will be published at the analytical category level on the ICP web site. They will be available to the public.

- PPPs, Price Level Indexes and Expenditure data for unpublished categories including Basic Headings will be available to approved data users only through a secure online database that is accessible through a user name/password combination to reduce the effort involved in the servicing of requests.

- National Average Price data at the product level, with appropriate disaggregation and measures of quality, will be available to approved data users only through the secure online database.

- Individual Price Observations (microdata) will not be available through the ICP Global Office. Where permitted by the laws of individual countries, the ICP Global Office could provide contact details to those researchers who are interested in negotiating with individual countries.

- For ICP compilation and archiving purposes, National Average Price Data will be provided to the ICP Global Office and the relevant Regional Coordinating Agencies.

- There will be supporting metadata for all ICP data releases consistent with good statistical practice.

**Proposed Decision 4.**

The Board is requested to approve the proposed data access and archiving policy.