International Comparison Program
2021 Cycle

Technical Advisory Group Meeting

May 17-19, 2021
Opening Remarks
Technical Advisory Group: **Membership**

- **Sir A. Deaton (Chair),** 2015 Nobel Prize Laureate, Senior Scholar
- **P. Schreyer (Alternate-Chair),** Chief Statistician of the OECD
- **A. Heston,** Professor Emeritus, co-founder of the Penn-World Tables
- **P. Rao,** Professor Emeritus, prominent expert on PPPs
- **R. Feenstra,** Distinguished Professor, leading expert on PPP time series
- **E. Diewert,** Professor Emeritus, leading expert on index numbers
- **X. Xu,** Professor, former Deputy Commissioner of NBS China
- **M. O’Mahony,** Professor, prominent expert on international measurements
- **M. Mouyelo-Katoula,** former ICP Global Manager
Meeting Agenda

Day 1: Monday, May 17, 2021
- ICP 2017 results dissemination and ICP 2021 launch
- Analysis of ICP 2017 results
- Uses and applications of ICP data and PPPs

Day 2: Tuesday, May 18, 2021
- Compilation of PPP time series
- Quality and reliability of PPPs
- CPI-ICP synergies; subnational PPPs; and scanner data

Day 3: Wednesday, May 19, 2021
- ICP PPPs and global poverty measurement
- Research priorities and next steps
- Updates from the System of National Accounts research agenda
ICP Governance Structure

United Nations Statistical Commission

ICP Governing Board

ICP Inter-Agency Coordination Group

GIA

RIAs

AfDB
ADB
CIS-STAT
UN-ECLAC
UN-ESCWA
Eurostat-OECD

NIA

AFR NIAs
ASI NIAs
CIS NIAs
LAC NIAs
ESCWA NIAs
Eurostat-OECD

Global Implementing Agency (GIA) | Regional Implementing Agency (RIA) | National Implementing Agency (NIA)
Release of the ICP 2017 Cycle Results

ICP 2017 result releases

▪ Global release of the report “PPPs and the Size of World Economies: Results from the 2017 ICP”, data, blogs and communication assets in May 2020
▪ Regional releases throughout 2020 and 2021 AfDB | ADB | CIS-STAT | Eurostat | OECD | UN-ECLAC | UN-ESCWA

ICP 2017 results have been widely accepted by users

▪ Improved quality and consistency with previous benchmark results
  ▪ Working paper by Sir Angus Deaton and Paul Schreyer [NBER]
  ▪ Policy brief by Patrick Honohan [PIIE]
ICP 2021 Cycle Major Milestones and Deliverables

- ICP 2021 cycle duration from mid-2020 to mid-2024

- Release of the ICP 2021 cycle results by the end of 2023
  - Results for the reference year 2021
  - Revised results for the previous reference year 2017
  - Annual PPPs for the years 2018 to 2020

- Further dissemination and outreach activities in the first half of 2024
## ICP 2021 Timetable

<table>
<thead>
<tr>
<th>ICP 2021 Cycle</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
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<tbody>
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<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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<td>Governing Board meetings</td>
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<td>TAG meetings</td>
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<td>IACG meetings</td>
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<td>Operational material/guidance notes</td>
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<td>Price surveys and collections</td>
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<td>Expenditure compilations</td>
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<td>Data submissions</td>
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<td>Publication of results</td>
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<tr>
<td>Dissemination and outreach</td>
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ICP 2021 Cycle Participation [1]

The total number of participating economies is expected to be comparable to the ICP 2017 cycle [176 economies]

**Africa** [ICP 2017: 50 economies]
- Additional capacity building activities to prepare for participation (Eritrea, Liberia, Somalia, South Sudan); number of dual-participation countries may increase

**Asia and the Pacific** [ICP 2017: 22 economies]
- Participation of selected countries at risk due to the COVID-19 pandemic or political conditions

**Commonwealth of Independent States** [ICP 2017: 8 economies]
- Uzbekistan anticipated to join the comparison
ICP 2021 Cycle Country Participation [2]

**Eurostat-OECD PPP Program** [ICP 2017: 49+2 economies]
- No anticipated changes; Georgia and Ukraine continuing as “guest” participants in the comparison

**Latin America and Caribbean** [ICP 2017: 36 economies]
- Guatemala anticipated to join the comparison; participation of selected Caribbean islands at risk

**Western Asia** [ICP 2017: 12 economies]
- Lebanon anticipated to join the comparison; additional capacity building activities to prepare for participation (Syria, Yemen); number of dual-participation countries may increase
COVID-19 Impact

COVID-19 pandemic continues to present risks for the cycle

- Reference year for the current cycle postponed from 2020 to 2021
- Risks to ICP 2021: (i) country participation; (ii) delays in surveys; (iii) price and expenditure data representativeness; and (iii) coordination and capacity building activities

IACG is actively supporting national implementing agencies and preparing guidance notes

- Meeting ICP Price Data Requirements During the COVID-19 Pandemic
- Meeting ICP National Accounts Expenditure Data Requirements during the COVID-19 Pandemic
ICP 2021 Cycle Operational Activities

Item lists, specifications and survey forms

I. Household consumption
II. Housing rentals | Housing volume
III. Private education
IV. Government compensation
V. Construction and civil engineering
VI. Machinery and equipment

Process management

- Survey preparation: Online Item List Management Tool (ILMT)
- Data management: Single data submission form and DECDG database system
- PPP calculation: Adoption of ICP 2017 COTT PPP programming
ICP Research Agenda approved by the Board in 2017 focuses on:

- Building consistent annual PPP series
- Improving PPP reliability and quality
- Addressing difficult to measure areas, such as housing
- Strengthening alignment between PPPs and national statistical programs
- Advocating wider uses and applications of PPPs
- Exploring innovations in technology and new sources

ICP 2017 cycle made significant progress with several agenda items

Work on the research agenda continues during the ICP 2021 cycle
<table>
<thead>
<tr>
<th>Research Agenda Items</th>
<th>Progress</th>
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<tbody>
<tr>
<td>1. Compilation of PPP Time Series and the Rolling Survey Approach</td>
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<tr>
<td>▪ Component 1. Moving towards rolling price surveys</td>
<td>Long term objective</td>
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<tr>
<td>▪ Component 2. Linking interim regional updates into a global comparison</td>
<td>Done/more work underway</td>
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<tr>
<td>▪ Component 3. Building PPP time series for the interim period</td>
<td>Done/more work underway</td>
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<tr>
<td>2. PPPs and Real Expenditures for Dwelling Services</td>
<td>Done/more work underway</td>
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<td>3. Productivity Adjustment for Government and Construction Labor</td>
<td>Done</td>
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<tr>
<td>4. Fine Tuning Global Linking Procedures</td>
<td>Done</td>
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<tr>
<td>5. Quality and Reliability of PPPs</td>
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<tr>
<td>▪ Component 1. Quality of data and results</td>
<td>Underway</td>
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<tr>
<td>▪ Component 2. Reliability measures for PPPs</td>
<td>Underway</td>
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<tr>
<td>Research Agenda Items</td>
<td>Progress</td>
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<tr>
<td>6. Uses of PPPs for National and International Policy Making</td>
<td>Underway</td>
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<tr>
<td>7. <strong>CPI-ICP Synergies</strong> and <strong>Subnational PPPs</strong></td>
<td>Done</td>
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<tr>
<td>8. PPPs for Exports and Imports</td>
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<td>9. PPPs for Construction</td>
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<tr>
<td>10. PPPs for Health and Education</td>
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<tr>
<td>11. ICP PPPs and Global Poverty Measurement</td>
<td>Underway</td>
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<tr>
<td>12. Exploring Innovations in Technology and Data Sources for PPP Measurement</td>
<td>Some work done/more underway</td>
</tr>
<tr>
<td>13. Accounting for Product Quality Differences in PPP Measurement</td>
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Purchasing power parities for policy making: a visual guide to using data from the International Comparison Program [Final editing in progress]
Outreach, Advocacy and Knowledge (2)

- **ICP website** tracks PPP and ICP data uses in reports, papers, articles and blogs, and collates ICP communication materials.

- **ICP blog series** covers all aspects of the ICP and explores the uses by economists, researchers, policymakers and others.

- **PPP eLearning course** presents key PPP concepts, methodology and applications, and introduces the ICP.

- **ICP newsletter** features latest global, regional and national activities, as well as latest uses in reports, papers, articles and blogs.
Selected Notable Uses of ICP Results and Data [1]
Selected Notable Uses of ICP Results and Data [2]
Selected Notable Uses of ICP Results and Data [3]
Selected Notable Uses of ICP Results and Data [4]
THANK YOU