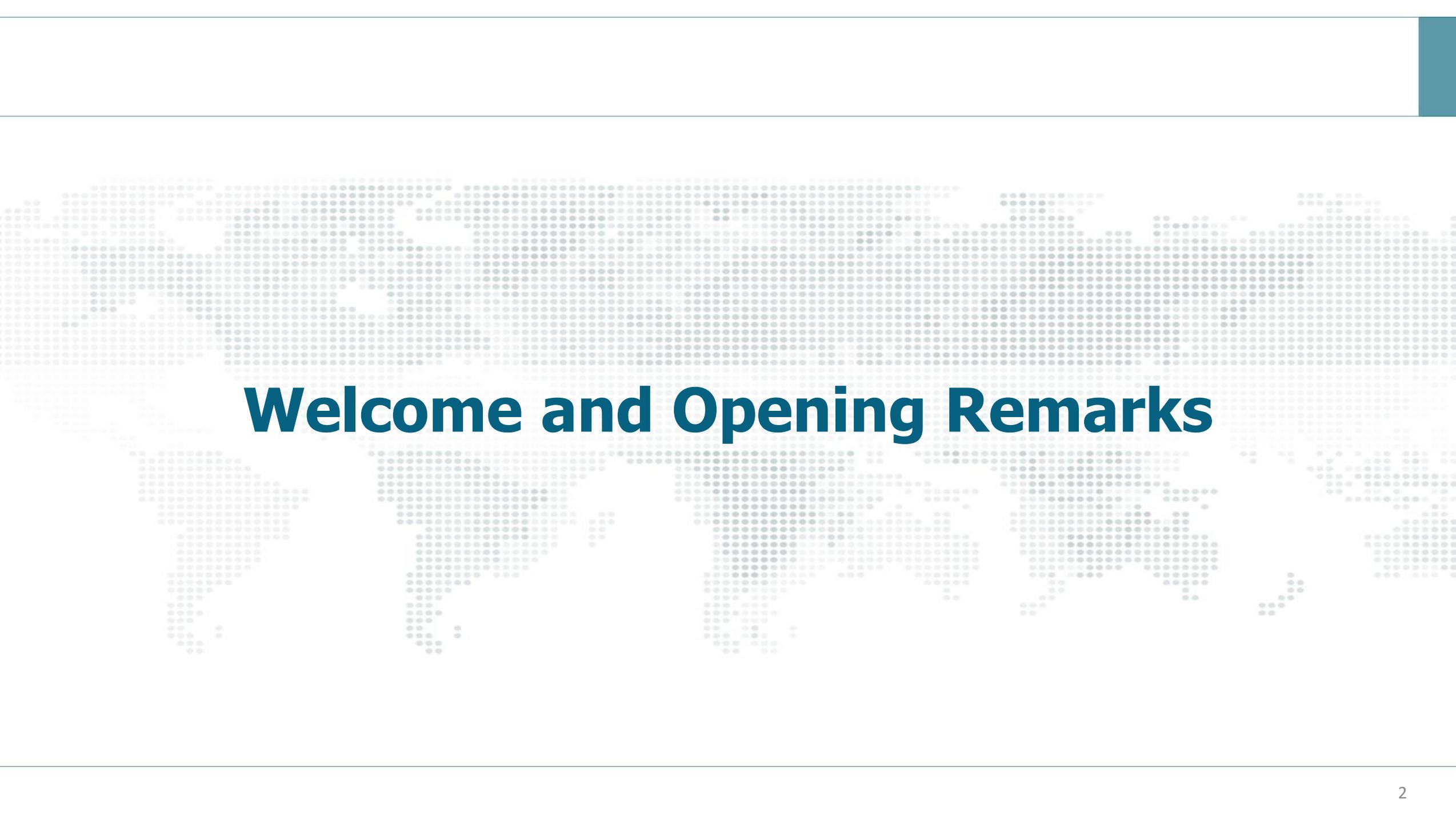


International Comparison Program (ICP) Technical Advisory Group (TAG) Meeting



Welcome and Opening Remarks

Draft Agenda - Day 1, Tuesday, November 9, 2021

- **[09:15 – 09:45am] Update on the ICP 2021 Cycle**
- **[09:45 – 10:10am] Survey of National Statistical Offices during Covid-19**
- **[10:10 – 10:30am] Covid-19 impact on macroeconomic statistics**
- **[10:30 – 11:15am] Measuring inflation under pandemic conditions**
- **[11:15 – 12:00am] Covid-19 and the CPI: Is inflation underestimated?**

Draft Agenda - Day 2, Wednesday, November 10, 2021

- **[09:00 – 09:45am] Covid-19 and the Harmonized Index of Consumer Prices**
- **[09:45 – 10:15am] Measurement of non-market services during the pandemic**
- **[10:15 – 10:45am] Experiences in producing PPPs during the pandemic**
- **[10:45 – 11:15am] Covid-19, ICP and the online price and product data**
- **[11:15 – 12:00am] Producing PPPs for imports and exports and the Covid-19 disruptions to global trade**

Draft Agenda - Day 3, Thursday, November 11, 2021

- **[09:00 – 09:45am] Covid-19 and price indexes: Effect of expenditure shifts on CPI and ICP**
- **[09:45 – 10:05am] Collecting more metadata for the ICP 2021 Cycle in light of Covid-19**
- **[10:05 – 10:35am] Exploring the use of new data sources for PPP measurement**
- **[10:35 – 11:20am] Calculating and publishing additive ICP results**
- **[11:20 – 11:45am] Technical note on PPPs produced/published by different institutions**



Update on the ICP 2021 Cycle

Outline

- **Overall timeline, participation and survey status**
- **Governance and coordination activities**
- **Items for TAG consideration**
- **Knowledge and outreach activities**
- **Conclusions**



ICP 2021 Cycle Overall Timeline, Participation and Survey Status

ICP 2021 Overall Timeline: Governance

ICP 2021 Cycle	2020				2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Governing Board ¹						Apr			Mar							
TAG						May		Nov								
IACG ²																
Publication ³																

¹ Typically in conjunction with the UNSC session; ² Biannual

³ Revised 2017, 2021, 2018-2020 annual PPPs

ICP 2021 Overall Timeline: Production

ICP 2021 Cycle	2020				2021				2022				2023			
	Q1	Q2	Q3	Q4												
Operation materials			█		█	█										
Price surveys					█	█	█	█	█	█	█	█				
National accounts ¹									█	█	█	█	█	█	█	
Data submissions ²								█	█		█		█		F	
Publication ³																█

¹ Revised 2017, 2021, timeseries | ² ICP 2021 cycle data and timeseries |

³ Revised 2017, 2021, 2018-2020 annual PPPs

ICP 2021 Cycle Participation and Survey Status [1]

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

Africa [ICP 2017: 50 economies]

- No anticipated participation changes
- Additional capacity building activities to prepare for participation
- Household consumption surveys expected to be initiated in Q4 2021 and continue until Q3 2022

Commonwealth of Independent States (CIS) [ICP 2017: 8 economies]

- +1 Uzbekistan
- Possible participation of Turkmenistan
- Household consumption surveys initiated in Q1 2021

ICP 2021 Cycle Participation and Survey Status [1]

Asian the Pacific [ICP 2017: 22 economies]

- No anticipated participation changes
- Household consumption surveys initiated in Q1 2021 in most countries
- India, Pakistan and Lao are yet to initiate household consumption surveys
- Participation of one economy at risk due to political conditions

Latin America and Caribbean [ICP 2017: 36 economies]

- LAT + 1 Guatemala
- Participation of some Caribbean islands at risk (Bahamas, Barbados, Cayman Island, Sint Maarten)
- Household consumption surveys initiated in Q1 2021 in most countries
- Selected countries conducted food & beverages surveys in 2019 and 2020, in anticipation of implementing the rolling survey approach in the region

ICP 2021 Cycle Participation and Survey Status [2]

Western Asia [ICP 2017: 12 economies]

- +2 Syria and Lebanon, + 1 Tunisia (as dual-participating country)
- Household consumption surveys initiated in Q1 2021 in most countries
- Objective to produce annual PPPs

Eurostat-OECD PPP Program [ICP 2017: 49+2 economies]

- No anticipated changes (Georgia and Ukraine continuing as “guest” participants in the comparison)
- Household consumption surveys conducted as per the established rolling survey approach timetable (2/6 surveys per year)
- ICP construction survey for linking purposes [ICP 2017: 11 economies]
 - - Norway | +France +Greece +Iceland
 - Georgia and Ukraine implement ICP construction surveys, but these are not used for linking

A faint, dotted world map is visible in the background of the slide. The map is composed of small grey dots that form the outlines of the continents. The text is centered over this map.

ICP 2021 Cycle Governance and Coordination Activities

Governance Activities: Governing Board

- **First meeting on April 26, 2021**
- **GB co-chairs are conducting outreach to countries whose participation it at risk, in order to encourage the countries to conduct ICP 2021 activities as planned**
- **Next meeting scheduled for March 2022, in conjunction with the 53rd Session of the UNSC**

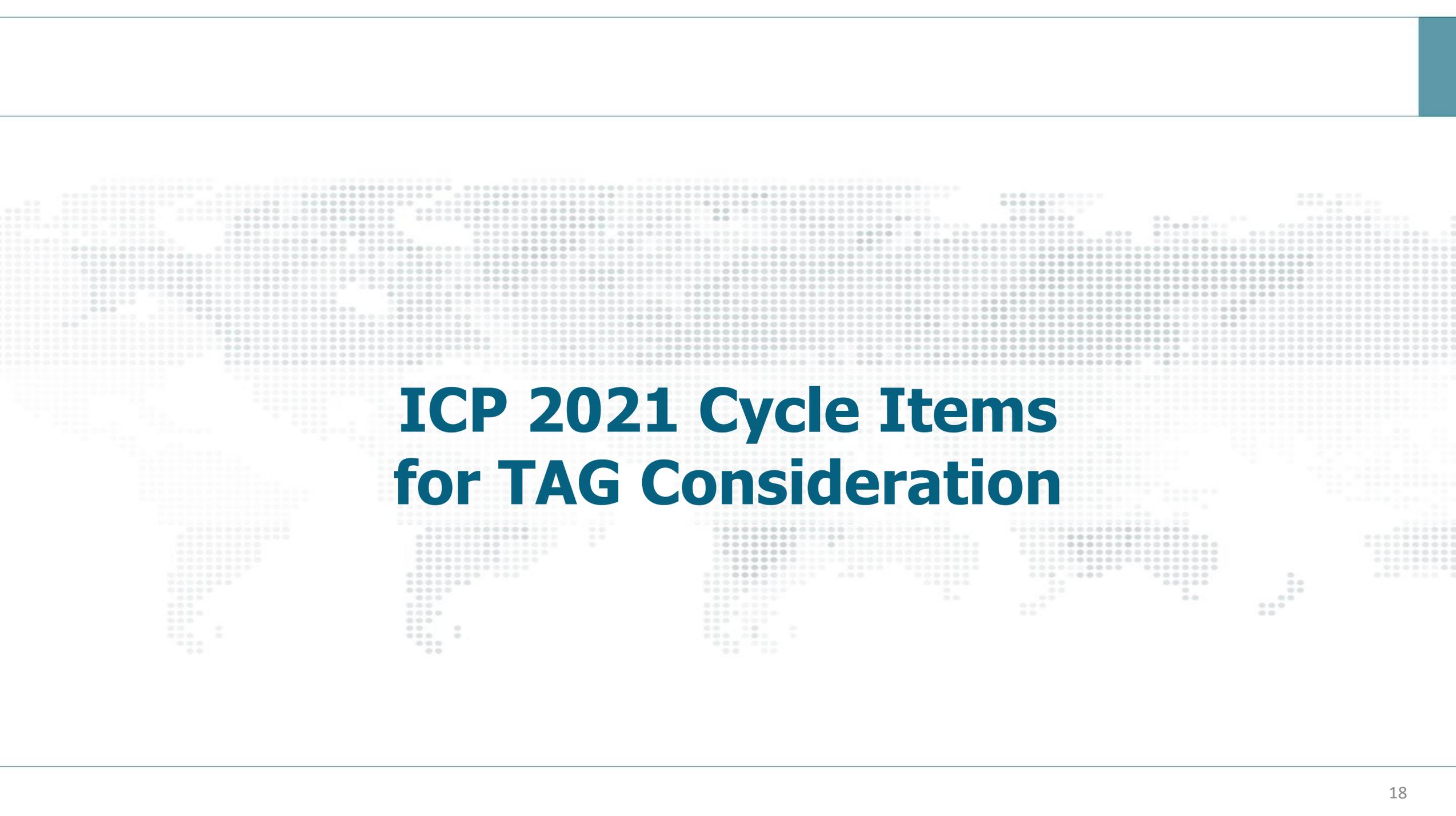
Governance Activities: United Nations Statistical Commission

- **53rd UNSC Session scheduled for March 1-4, 2022**
- **Annual ICP report to the UNSC**
 - 2022 report will be for discussion
 - Opportunity to seek the support and convening power of the UNSC to encourage stakeholders to conduct surveys and compilation activities in adherence to the agreed timetable to ensure a successful ICP 2021 cycle

NOTE: All ICP UNSC reports available in six languages on the global ICP website: <https://www.worldbank.org/en/programs/icp/brief/unsc-sessions>

Governance Activities: Inter-Agency Coordination Group

- **1st meeting in 2021, April 12-13 | 2nd meeting in 2021, October 12-14**
 - Reviewed global and regional implementation status
 - Planned operational activities
 - Prepared for the ICP Governing Board and Technical Advisory Group meetings
- **IACG issued two ICP COVID-19 Guidance Notes**
 - Meeting ICP Price Data Requirements During the COVID-19 Pandemic [**February 2021**]
 - Meeting ICP National Accounts Expenditure Data Requirements during the COVID-19 Pandemic [**May 2021**]



ICP 2021 Cycle Items for TAG Consideration

ICP 2021 Participation

- **ICP 2021 cycle participation similar to ICP 2017 participation**
 - **AFR:** No expected changes, but countries are yet to initiate surveys
 - **ASI:** No changes, but India, Pakistan and Lao are yet to initiate surveys
 - **CIS:** +1 (Uzbekistan), possible participation of Turkmenistan
 - **EUO:** No changes, Georgia and Ukraine continue as “guests”
 - **LAT:** +1 (Guatemala)
 - **CAR:** -4 (Bahamas, Barbados, Cayman Islands, Sint Maarten)
 - **WAS:** +3 (Syria and Lebanon, Tunisia as dual-participating country)
- **Continued advocacy efforts by the implementing agencies, GB, UNSC**
- **TAG guidance to ensure that participation changes have limited impact on the results**

ICP 2021 Quality

- **ICP 2021 cycle faces additional quality challenges**
 - Differences in survey implementation schedules within/between regions
 - Extensive use of extrapolation/backcasting because of different schedules
 - Reliability of extrapolation indices
 - Expenditure weights quality
- **Continued validation efforts at national, regional and global levels**
- **TAG guidance to address quality challenges and to assess results**

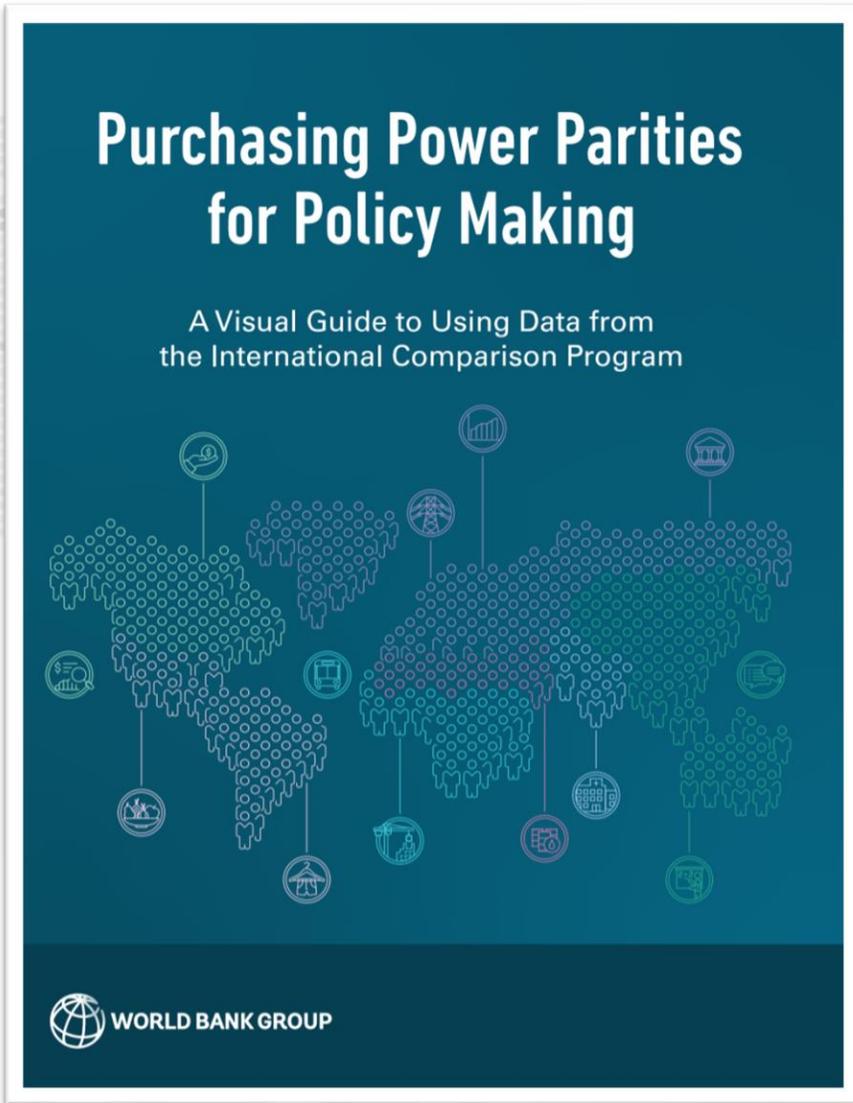
ICP 2021 Timetable

- **Publication of ICP 2021 results scheduled for end-2023**
 - Several regions/countries face delays in implementing ICP surveys
 - Additional quality assurance measures will be required
- **Close cooperation between regional and global implementing agencies to actively monitor the production schedule**
- **Frequent meetings of the TAG might be needed towards the end of the cycle**



Knowledge and Outreach Activities

PPPs for Policy Making: Launch and Access



Launched on June 17, 2021, through

- [World Bank Blog](#)
- [Special ICP newsletter](#)

Can be accessed via

- .pdf publication [download](#)
- Web-based interactive [publication](#)

PPPs for Policy Making: Contents

- Introduction
- Uses and limitations (!)
- The size of the economy and price levels
- Poverty and inequality
- Trade and competitiveness
- Labor costs, wages and social safety nets
- Food and nutrition
- Health
- Education
- Energy and climate
- Infrastructure
- Human Development
- Administrative uses
- Technical note (!)

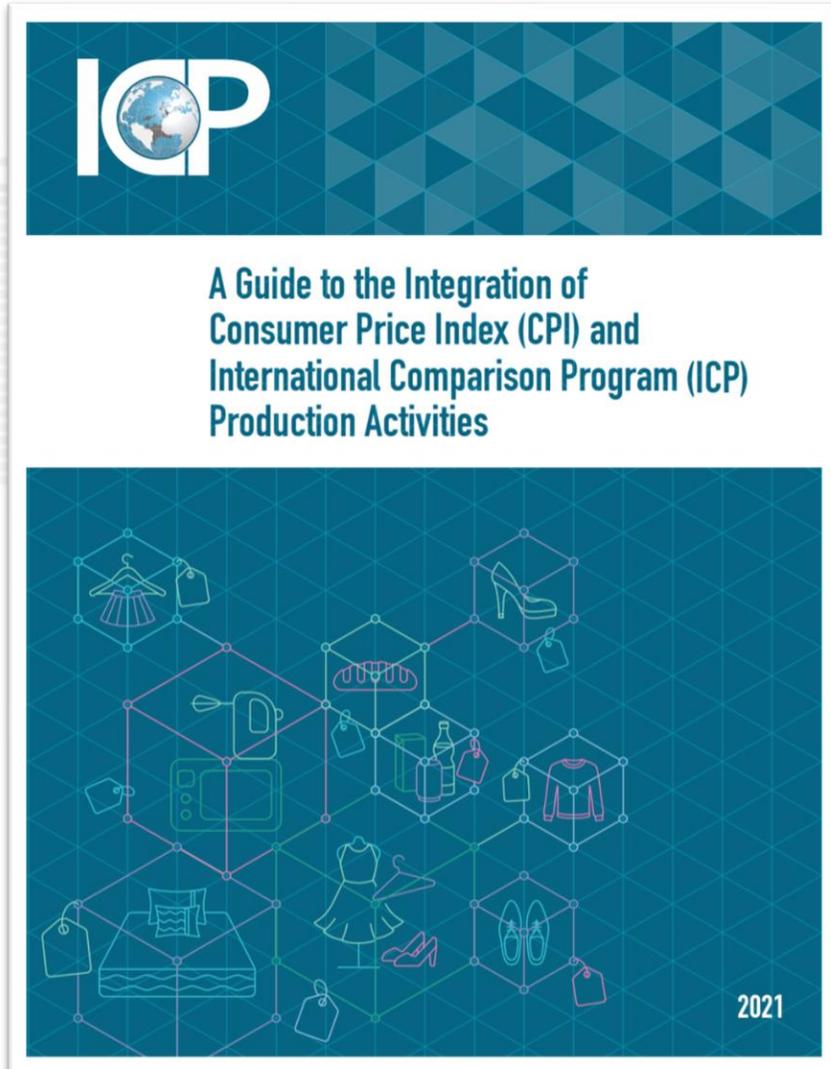
PPPs for Policy Making: Post-Release Outreach

FROM LOCAL PRICES TO THE GLOBAL ECONOMY:

How the Latest Data from the
International Comparison Program
Help Us Understand Our World Today

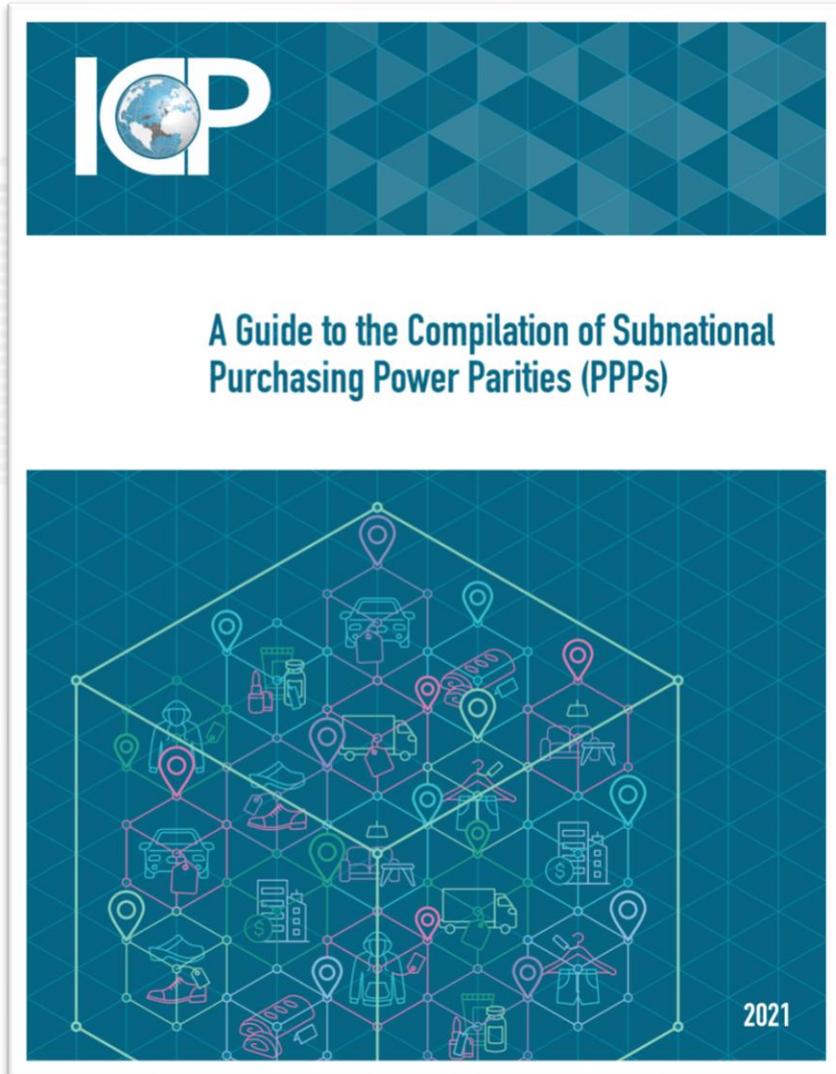
- Virtual Ted-style talk at the [2021 UN World Data Forum](#) on October 5th, 2021
- Event announced via a [special ICP newsletter](#)
- Recording available on the [UN](#) and [WBG](#) YouTube channels

Country Operations and Guidelines: CPI-ICP Integration



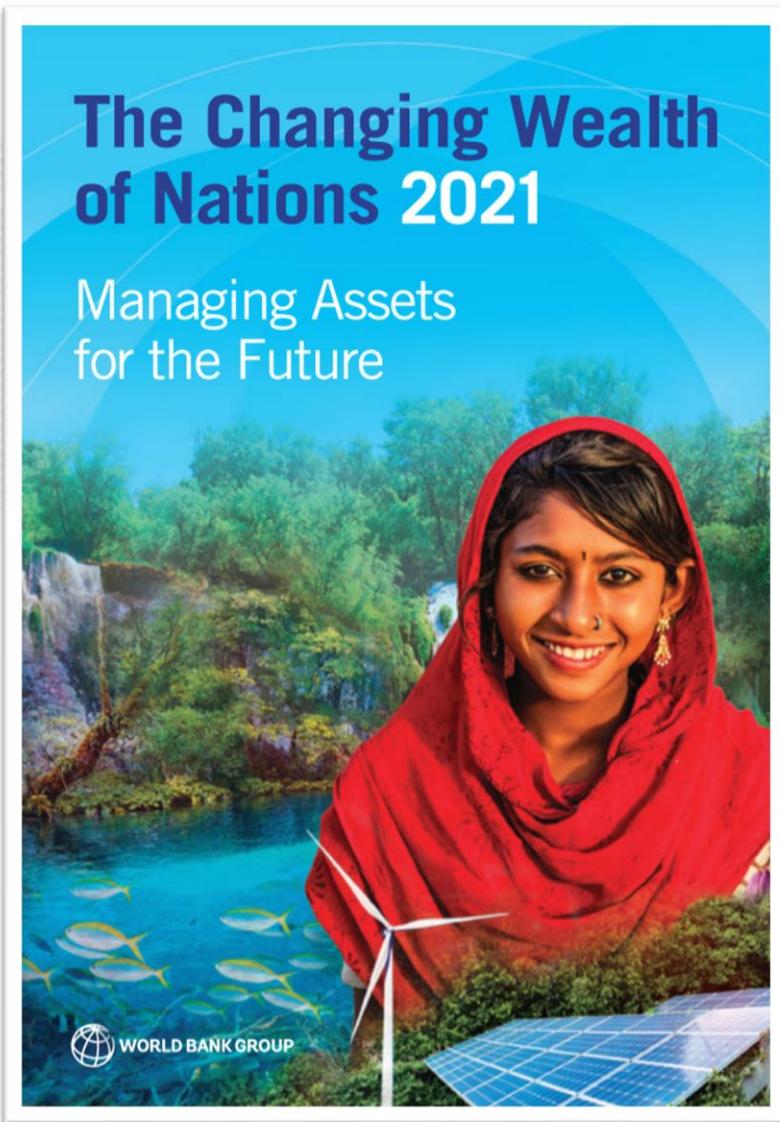
- Published in July 2021
- Announced through a special ICP newsletter
- Main authors: P. Rao and P. Kelly, based on the work by the Task Force on Country Operational Guidelines and Procedures
- Reviewed by IACG and IWGPS
- Downloadable through the ICP website

Country Operation and Guidelines: Subnational PPPs



- Published in July 2021
- Announced through a special ICP newsletter
- Main authors: P. Rao and L. Biggeri, based on the work by the Task Force on Country Operational Guidelines and Procedures
- Reviewed by IACG
- Downloadable through the ICP website

Recent Uses of PPPs and ICP data [1]



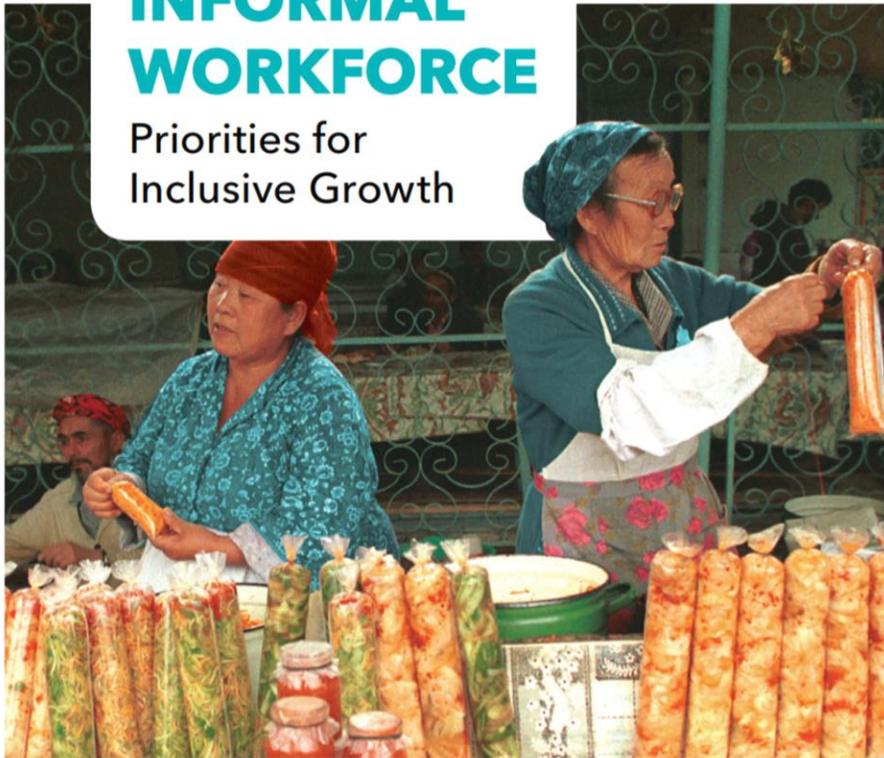
- October 2021 World Bank report explores the use of PPPs to measure wealth accounts for the first time:
 - PPPs used at level of actual individual consumption
 - Dedicated chapter for wealth accounting and PPPs
- Rationale: “Valuing wealth accounts using PPPs provides a better understanding of the comparative material well-being derived from assets across countries”
- Results in a redistribution of global wealth compared with market exchange rates:
 - South Asia’s and Sub-Saharan Africa’s shares of PPP-based global wealth increase significantly

Recent Uses of PPPs and ICP data [2]

INTERNATIONAL MONETARY FUND

THE GLOBAL INFORMAL WORKFORCE

Priorities for
Inclusive Growth



July 2021 **IMF report** finds the decline in the shadow economy with increasing PPP-based GDP per capita reaches a threshold after which financial pressure becomes less intense, and people are more willing to take less formal jobs in exchange for flexibility.

Report also values output per worker in PPP dollars to compare labor productivity in Latin American economies.

Recent Uses of PPPs and ICP data [3]

TECHNICAL REPORT

POTENTIAL IMPACTS OF THE AFRICAN CONTINENTAL FREE TRADE AREA (AFCFTA) ON SELECTED OIC COUNTRIES

Case of Cote d'Ivoire, Egypt, Guinea, Mozambique, Tunisia and Uganda

Prepared by



PPP-based GDP is used as one of ten indicators in the African Continental Free Trade Area Relative Readiness Index, presented in the July 2021 [report](#) by the International Islamic Trade Finance Corporation (ITFC) and the Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC).

The index assesses whether a country has the technical and administrative capacity to conduct and implement a continental policy implementation process on its own and benefit from it, as well as financial resources and the depth of market, products and services.

Recent Uses of PPPs and ICP data [4]



The July 2021 World Bank [report](#) on waste generation growth finds that PPP-based GDP per capita is strongly and positively correlated to waste generation per capita up to a cap of around \$60,000 (2017 PPPs), after which generation rises modestly up to \$85,000.

Growth in PPP-based GDP per capita is subsequently used to model projections in waste generation.

Recent Uses of PPPs and ICP data [5]



The ILO **flagship report** published in June 2021 uses PPP-based poverty lines to establish working poverty rates and numbers at the “extreme” (\$1.90) and “moderately poor” (\$1.90 - \$3.20) levels. These and three other economic classes based on daily income in PPP terms are also used for modelling estimates.

Furthermore, labor incomes for country income groups are aggregated using PPPs.

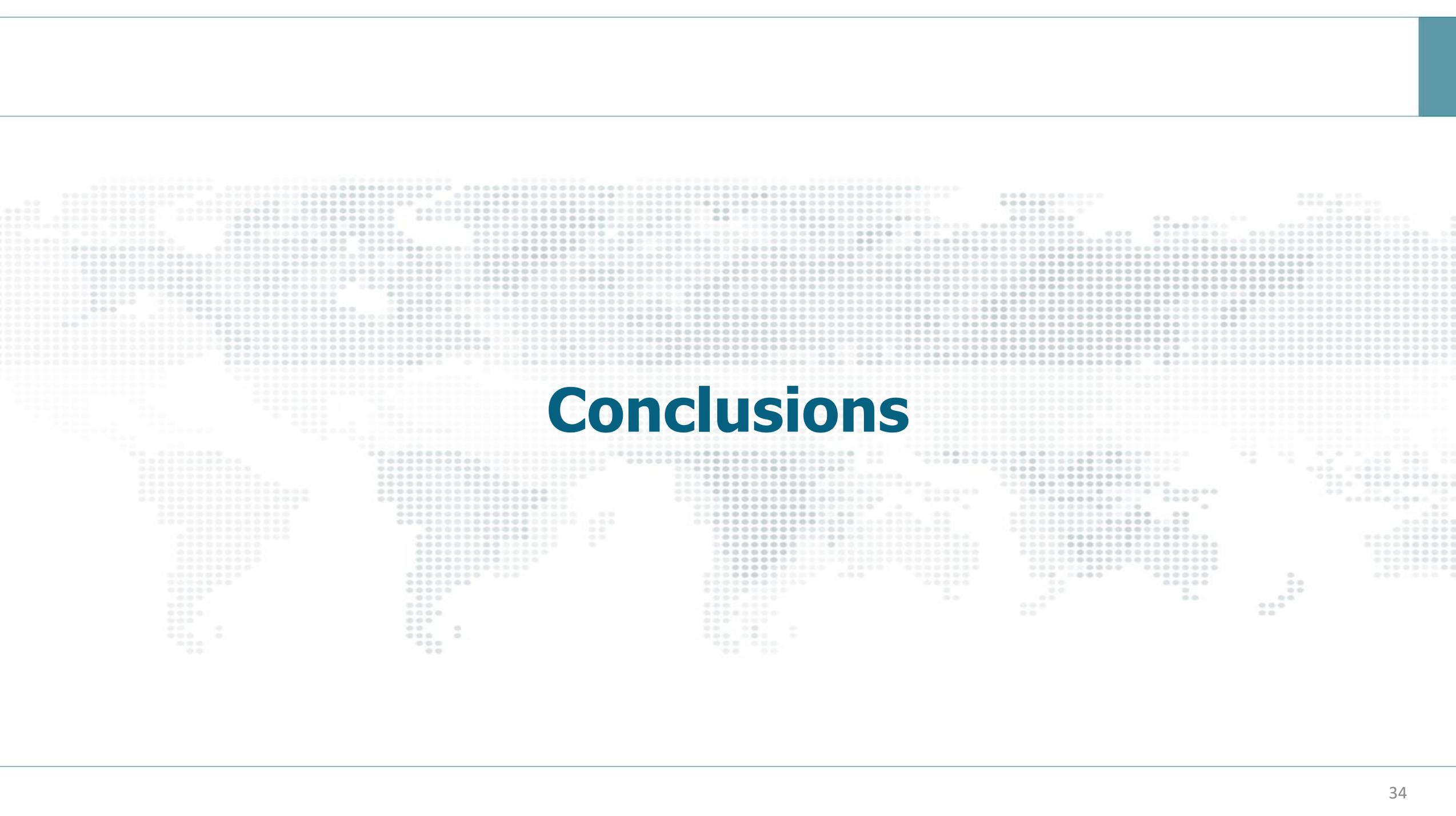
Recent Uses of PPPs and ICP data [6]

September 30th | 10:00–11:30am ET

Launch of the Worldwide Bureaucracy Indicators

The Worldwide Bureaucracy Indicators (WWBI) is a cross-national dataset on public sector employment and wages. The indicators are derived using a consistent methodology from micro-data based on nationally representative labor force and household surveys, and administrative data. WWBI is the most comprehensive dataset of its kind with 192 indicators for 200 countries. It is a product of the Bureaucracy Lab, a collaboration between the Governance Global Practice and the Development Impact Evaluation (DIME) Department in the Development Economics Vice-Presidency.

The World Bank [Worldwide Bureaucracy Indicators database](#) was updated in September 2021 and includes ICP-based wage compression ratios in the public sector and expenditure data for 167 countries.

A world map composed of a grid of small dots, with the word "Conclusions" centered over it.

Conclusions

Conclusions

- **ICP 2021 cycle is underway in all six regions / in most countries**
 - Significant resources and tremendous efforts already invested in implementing the cycle by various ICP stakeholders
- **ICP 2021 cycle results will be crucial**
 - Distortions caused by the COVID-19 pandemic may turn out to be long term structural changes, with yet unforeseen impacts
 - ICP 2021 results will be crucial in assessing the economic impact of the pandemic and will be of great value to various uses and users

A globe composed of numerous small, square images, each depicting a different scene or object, such as a car, a cup of coffee, a bicycle, a person, and various food items. The globe is positioned in the center of the slide, set against a background of a world map rendered in a dotted, halftone style. The overall color palette is light and airy, with a teal accent at the top right.

THANK YOU