International Comparison Program
2021 Cycle

Governing Board Meeting

April 26, 2021
Opening Remarks
Draft Meeting Agenda

[08:15 – 08:30 am] Election of Board Co-Chairs

[08:30 – 09:00 am] ICP Governance Framework

[09:00 – 09:30 am] ICP Technical Advisory Group membership

[09:30 – 10:30 am] ICP 2021 cycle implementation, timetable and funding

[10:30 – 10:45 am] Next meeting and any other business

[10:45 – 11:00 am] Closing remarks
The Board is invited to adopt the meeting agenda
Item 01: Election of Board Co-Chairs
ICP 2021 Cycle Governing Board Membership

Countries – members
- Argentina | Finland | Kazakhstan | Malaysia | Mexico | Nepal | Qatar | Samoa | Senegal | South Africa | Suriname

Agencies – members and observers
- ADB | AfDB | CARICOM | CIS-STAT | Eurostat | IMF | OECD | UN-ECLAC | UN-ESCWA | UNSD | World Bank

Co-Chair nomination
- Risenga Maluleke, Statistician-General, Statistics South Africa
- Markus Sovala, Director General, Statistics Finland
The Board is invited to elect its Co-Chairs
Item 02: ICP Governance Framework
ICP Governance Structure

United Nations Statistical Commission

ICP Governing Board

ICP Inter-Agency Coordination Group

GIA

ICP Global Office

World Bank

AFDB

ADB

CIS-STAT

UN-ECLAC

UN-ESCWA

Eurostat-OECD

RIAs

IMF

NIAs

Global Implementing Agency (GIA) | Regional Implementing Agency (RIA) | National Implementing Agency (NIA)
Role of the ICP Governance Bodies

- **United Nations Statistical Commission (UNSC)** is the ultimate stakeholder of the ICP, deciding on the frequency and operational modality of the Program.

- **Governing Board** is a strategic and policy-making body, which puts forth the policies and protocols that govern the production of regional and global PPP estimates.

- **Technical Advisory Group (TAG)** is a technical body, which assures methodological soundness and overall quality of the PPP estimates.

- **Inter-Agency Coordination Group (IACG)** is a coordinating body, which collaborates on establishing timetables and work plans for the Program.
Role of the ICP Implementing Agencies

- **Global Implementing Agency/ ICP Global Office** supports the ICP governance framework and undertakes the global coordination and implementation of the Program.

- **Regional Implementing Agencies** coordinate regional ICP comparisons and facilitate data and information flow between the ICP Global Unit and participating economies.

- **National Implementing Agencies** are responsible for planning, coordinating and implementing national ICP activities under the overall work program of the ICP region to which they belong.
The Board is invited to take note of the ICP Governance Framework
Item 03: Technical Advisory Group Membership
Technical Advisory Group: Current 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
Technical Advisory Group: Membership Proposals

- **K. Abraham**, Prof. of Economics and Survey Methodology, former US BLS Commissioner, former member of the US Council of Economic Advisers

- **M. O’Mahoney**, Prof. of Applied Economics, prominent expert on measuring international differences in productivity, growth and performance in public services

- **M. Mouyelo-Katoula**, former ICP Global Manager, leading expert on international comparisons, statistical capacity development and economic statistics

- **P. Goldberg**, Prof. of Economics, former Chief Economist of the World Bank, President of the Econometric Society, prominent expert on trade and poverty

- **R. Rigobon**, Prof. of Management and Applied Economics, co-founder of Billion Prices Project, prominent expert on international economics, prices and big data
The Board is invited to consider and approve the nominations for new members of the Technical Advisory Group
Item 04: ICP 2021 Cycle Implementation, Timetable and Funding
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

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- **Q1**: First Quarter
- **Q2**: Second Quarter
- **Q3**: Third Quarter
- **Q4**: Fourth Quarter
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 changes; number of dual-participation countries may increase

**Asia and the Pacific** [ICP 2017: 22 economies]
- No anticipated changes; 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; number of dual-participation countries may increase
COVID-19 Related Risks

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 (forthcoming in May 2021)
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
Ongoing Research Activities

**Strengthening alignment between PPPs and national statistical programs**
- Guide on CPI-ICP synergies to improve spatial and temporal price consistency (forthcoming in May 2021)
- Guide on Subnational PPPs (forthcoming in May 2021)

**Advocating wider uses and applications of PPPs**
- PPPs and global poverty measurement
- PPPs in the Changing Wealth of Nations
- Food prices and cost of healthy and nutritious diets
- Use of PPPs and ICP data for policymaking
Purchasing power parities for policy making: a visual guide to using data from the International Comparison Program [forthcoming in April 2021]
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]
ICP 2021 Cycle Budget

- Total ICP 2021 budget estimated at $23.4M*
- ICP 2011 budget approx. $45M*; ICP 2017 budget approx. $24.5M*
- **Cost reduction** driven by holding ICP methodology unchanged, conducting virtual meetings, and streamlining processes with new technology
- Progress being made to incorporate ICP into regular work programs

* excluding contributions of national implementing agencies
ICP 2021 Cycle Funding

- Current sources of funding amount to **$19.75M**
- Budget deficit estimated at **$3.65M**
  - $2.0M at the global level
  - $1.0M in Africa
  - $0.35M in CIS
  - $0.30M in Western Asia
- **Donor support** needed to fill the budget deficit and ensure a successful implementation of the ICP 2021

**Donor Support Breakdown**

- Eurostat, 30%
- World Bank, 17%
- AfDB, 17%
- ADB, 9%
- OECD, 4%
- UN-ESCWA, 1%
- UN-ECLAC, 2%
- Ukaid, 3%
- CIS-STAT, 1%
- UN Dev. Account, 1%
- DEFICIT, 16%
ICP 2021 Cycle Major Risks and Mitigation

Country participation risks
- Mitigation: advocacy efforts, frequent follow-up

COVID-19 related risks
- Mitigation: activate support and guidance to participating economies

Funding risks
- Mitigation: fundraising efforts to overcome the budget deficit
The Board is invited to take note of the ICP 2021 Cycle implementation, timetable and funding
Item 05: Next Meeting and Any Other Business
ICP Governing Board meetings have been customarily held in conjunction with the United Nations Statistical Commission (UNSC) Sessions.

The next meeting of the Board is suggested to be held in conjunction with the 53rd Session of the UNSC in 2022 in New York.
The Board is invited to discuss the timing and venue of the next meeting
The Board is invited to address any other business
Closing Remarks
THANK YOU