

International Comparison Program

[05.02]

2011 ICP Global Report Outline

As of October 3rd, 2011
Draft Version

Global Office



5th Regional Coordinators Meeting
October 5-6, 2011
Washington DC

2011 ICP Global Report

CONTENTS

Acronyms and abbreviations

This section will list the acronyms and abbreviations used in this global report.

Acknowledgments

The names of all staff involved in the creation of this report will be included in the Acknowledgement section.

Part I. General Background

1. About the ICP

This is a brief introduction about the ICP. The main objective of this section is to (i) define and outline the program, (ii) mention the main objectives of the ICP, including the specific objectives and targets of the 2011 round; (iii) present the program governance framework and participating countries; and (iv) underline the strategic lines and main activities that were implemented. (Ref. ICP website)

2. Use and application of ICP data (including international organizations, governments and private sectors)

All ICP data applications should be classified by type of users and several examples of concrete and relevant applications will be mentioned. Through these examples the uses of PPPs and their role in the global economy will be discussed, including the importance of information to the current statistical, economic and policy context. (Ref. User's Paper, User Conference, ICP request and use of ICP data)

3. From 2005 to 2011

This section will introduce some main differences between the 2011 and 2005 rounds.

a. Country Participation

A list of all the regions and countries participating in the 2011 Round should be presented. Differences lie in: increased number of regions; participation structure of each region; dual membership; the scope of participation of Pacific Islands –however minimal the impact on the global results; and the specificities of the “singleton” countries.. (Ref. Executive Board Reports; Reports to the UNSC; Monthly updates).

b. Key methodological improvements from 2005

The main methodological improvements of the 2011 Round will be highlighted in light of the 2005 results. Specifically, a brief analysis of how the methodological improvements affect the comparisons with the 2005 Round.

The various categories of methodological improvements will be highlighted here, without delving into much detail though. These include but are not limited to: data quality framework; item lists; price survey methods; estimation of GDP expenditures; validation process; computation of PPPs at regional level; linking procedure and related aggregation methods; the method of “hooking up” singleton countries. (Ref. Relevant minutes of TAG and RC meetings).

Part II. Analysis of the 2011 Results

Introduction of the 2011 results -- this will briefly mention the challenge and timeframe of the ICP 2011 data collection. (Ref. timetable, and regional data submission).

1. Description of results tables

Brief description of each of the tables highlighting the major changes.

2. Global analysis

Global analysis illustrated by tables and graphs, including highlights presenting comparative analysis between countries (e.g. ranking countries, per capita, etc.) and temporal analysis comparing the 2005 and 2011 benchmark years.

3. Regional analysis

This section will not repeat the contents of the regional reports, but rather provide some highlights of the global results from a regional perspective. This will be done with reference to tables and graphs. Temporal changes of regional results in the global comparison will be mentioned, without attempting to provide any technical justifications.

4. Major highlights of sectoral analysis

This section will present the Global results from a sectoral perspective. This includes the following six sectors:

- a. Food price
- b. Poverty
- c. Education
- d. Health
- e. Government
- f. Trade (tradable goods)

The relevant Sectoral Departments in the World Bank will be invited to contribute inputs into this section.

5. Limitations of the ICP data

Briefly mention the sampling and non sampling errors as well as costs and other considerations that restrict data collection. This section will also discuss the comparability of data between different databases including within the World Bank.

Part III. Methodologies & Implementation Methods Highlights

This section will provide an overview of the different methodologies and implementation methods used during the 2011 round. (Additional detailed information can be found in the ICP book, the Operational Guide, and specific TAG papers).

1. Conceptual framework

The overall ICP conceptual framework will be briefly described. This includes: (i) the GDP and main expenditure framework; (ii) the PPP estimation framework; (iii) the National Accounts framework; and (iv) the survey framework for household consumption; and (v) the survey frameworks for the other areas. (Ref. ICP book, OG and eLearning)

2. Surveys

This section will include an overview of the survey implementation processes. (For more detailed information, the author should refer to the ICP Book and OG).

- a. Household consumption
- b. Housing
- c. Health
- d. Education
- e. Water
- f. Fast Evolving Technology products
- g. Compensation of employees
- h. Machinery and equipment
- i. Construction and civil engineering

3. National Accounts

The recommended approaches to estimate basic heading expenditure values are described in this section. (Ref. ICP Book, OG, meetings and workshops documents).

- a. NA Approaches: Estimating GDP expenditures at the basic heading
- b. ICP requirements
 - i. National Accounts Quality Assurance Questionnaire
 - ii. Tabular Approach to Exhaustiveness
 - iii. Model Report on Expenditure Statistics (MORES)

4. Data validation

The process of data validation for the 2011 round will be summarized in this section. (Ref. OG)

- a. Price and survey validation
- b. Expenditure data validation
- c. Validation at basic heading level and above

5. PPP computation at the regional level

This is an introduction to the different methods used for PPP computation at regional levels during the 2011 round. Concrete examples will be provided by the regions. (Ref. ICP Book, OG, TAG papers)

- a. Computation of Basic Heading Purchasing Power Parities (PPPs) within Regions. The specific case of Construction and Civil Engineering where elementary PPPs will be computed at a level below basic headings will be mentioned.
- b. Methods of Aggregation above the Basic Heading Level within Regions

6. Linking at global level

Briefly describe all the linking methods and explain which methods have been used for linking at the global level and why the choice of following these methods has been made and its effects on the ICP results. (Ref. ICP Book, OM)

- a. At basic heading
- b. Above basic heading

7. PPP imputation and time series

Presentation of alternative methods when data is not available and detailed procedures to construct data time series.

a. Back-casting and extrapolation of PPPs between benchmark years

The preferred methods for 'back-casting' and extrapolation of PPPs from the benchmark year – including the preferred underlying circumstances to use them and concrete cases from the 2011 exercise. (Ref. TAG documents, ICP Book)

b. PPPs for non benchmark economies

Introduction of the “non-benchmark” economies and their importance to global economic size estimations. A presentation on how they are treated by the ICP program their impact on the 2011 results (e.g. a table with the imputed PPP estimates for non-benchmark economies) (Ref. ICP Book)

c. Time series

Description of how WDI constructs data time series. (Ref. WDI)

Part IV. Analysis of quality of 2011

This part will focus on the impact on data quality caused by changes in methodologies and different applications of ICP procedures, listed below.

1. Survey Frames
2. National Accounts Exhaustiveness
3. Computations methods
4. Aggregation methods used
5. Reference PPPs used
6. 2011 vs 2005: methods, participation, product lists, national accounts, and economic validation

Appendices

The appendices will provide additional detail on subjects for further clarification or for a more complete understanding of the program.

A. Governance of the ICP 2011 (including task forces)

The 2011 round has a completely new governance framework. The main pillars and bodies of the ICP should be illustrated in this section. (Ref. ICP website and eLearning).

B. Global Core Approach

Why and how the GO decided to follow a global core approach. The pros and cons will be listed.

C. QAF

The importance attributed to data quality during this round in response not only to a need to improve data quality but also to a demand from donors, the executive board and the ICP regions. This section will focus on the quality assurance framework.

D. The ICP classification of expenditures on GDP

This appendix will list the ICP classification of expenditures on GDP.

E. ICP documentation (ICP book, operational materials, operational guides, & capacity building documentation)

In order to have more transparency and openness, the GO has developed a series of supporting material that will help users to understand the program.

F. ICP software

To support capacity building, the GO provided to regions and countries not only technical support (if requested) but also developed a series of tools to help them

to better collect, validate and process the data and information. This last appendix will outline the tools provided by the ICP GO, including which tool have been used by each region.

Glossary

List of all the terminology used in the Report

Bibliography

Exhaustive list of writings used or considered in this report.