

ICP REGIONAL COORDINATORS' MEETING
ICP Asia Pacific: Regional Report
17 – 21 November 2003
Tunis, Tunisia

I. Introduction

The International Comparison Program for Asia and the Pacific (ICP Asia Pacific) is being implemented as part of a global ICP exercise. ICP, which is both a source of reliable and timely policy relevant data, and as a comprehensive and coherent regional capacity building initiative, will be carried out between 2003 and 2006, with 2004 as the reference year. Consistent with the global program being spearheaded by the World Bank, the program's short-term initiative is to generate quality data to meet the urgent needs of MDGs, whereas its long-term objective is to establish ICP as a continuing program.

The Asian Development Bank (ADB) is taking the regional lead in implementing ICP Asia Pacific. ADB has established an ICP Regional Coordinating Unit (RCU) within its Economic and Research Department. A total of 20 of ADB's developing member countries (DMCs) are participating in the program. The program's regional technical workplan is now in place, and the first meetings of the Regional Advisory Board and the Heads of Statistical Agencies have been convened. The Regional Inception Workshop, held on 28 July to 1 August 2003 formally launched ICP Asia Pacific.

Hereunder is a presentation of the regional report on ICP Asia Pacific.

II. ICP Asia Pacific Regional Advisory Board

The first meeting of the Regional Advisory Board (RAB) Asia Pacific was held on 18 June 2003 in the Asian Institute of Technology (AIT), Bangkok, Thailand.

- Chief Statistician of Singapore, was elected Chair of the RAB. Annex I provides the list of the members of the Regional Advisory Board.
- The RAB noted that a total of 20 ADB DMCs (Annex II) are participating in ICP Asia Pacific. Desirably, all countries should participate at the level of total Gross Domestic Product (GDP). However, it was recognized that some countries could only participate in the comparison of household consumption.
- Overall, the governance arrangements were seen to be satisfactory recognizing that countries will be actively involved at all important stages of the ICP.
- It was emphasized to mainstream ICP with national statistical work by integrating it as far as possible with the national accounts and price collection programs. The scope of existing CPI surveys may need to be expanded to meet the requirements of ICP.
- It was stressed that countries will need materials, which explain Purchasing Power Parity (PPPs) data and its uses. These materials should particularly cover how PPP statistics can be used within the country.

- A timetable (workplan) was set for the ICP Asia Pacific exercise. It sets milestones for workshops, preparation of items lists, surveys, review and authentication of data, preliminary results and final results.
- Some concerns were raised on the decision to divide the GDP into 155 basic headings. However, on learning that countries provided expenditure weights to some 147 basic headings in the last ICP round and that the 155 basic headings is the lowest minimum that GDP expenditure weights could be broken down, the RAB agreed to the suggestion.
- A Draft Framework of Partnership (FOP) was presented to the Board outlining the respective roles and responsibilities of the Regional Coordinator and the participating countries. This document, along with the original letter from ADB outlining the terms of country participation, will be the basis of cooperation between countries and the Regional Coordinator (Annex III).
- The regional inception workshop (first workshop of national accountants and price statisticians) was held from 28 July to 1 August 2003 in the same venue. This meeting launched the 2004 round of ICP Asia Pacific.

III. ICP Asia Pacific Meeting of Heads of Statistical Agencies

The Meeting of Heads of Statistical Agencies was held on 19-20 June 2003 in AIT, Bangkok with the objective of enjoining the support of the heads of national statistical agencies of participating ADB developing member countries in implementing ICP in their respective countries. The meeting contributed in forging a better appreciation of the new ICP initiatives and establishing a well coordinated and effective national, regional and global management structure.

- Countries were requested to designate their national administrators and set up price and national accounts teams.
- The base year for the current round of surveys will be 2004. The 2004 exercise is only the first step to a process designed to make the surveys routine and permanent.
- The comparison will be based on GDP expenditure divided into 155 basic headings. The 155 basic headings will be used as a framework for a stratified sampling of items and weighting the basic headings into higher aggregates. However, real quantity estimates which will not be published at the basic heading level, but at a higher level of aggregation. It is recognized, though, that some countries may not be able to provide all the needed details of expenditure.
- A new method of writing specifications of items is being introduced for this and future rounds of surveys. It is called the Structured Product Description (SPD), which takes into account all characteristics of an item that affect prices. The Australian Bureau of Statistics spearheads the preparation of the SPD list for the region.
- It is very important that countries actively participate to include their own products in the regional list. Product lists and specifications will first be prepared for food, clothing and footwear, moving onto other areas of household consumption; government consumption; equipment goods and construction; and others.

- Actual surveys will be conducted over a period of one year starting in April 2004 to March 2005.
- GDP expenditure will be based on the latest 1993 System National Accounts (SNA). Since most countries are still using the 1968 SNA, some assistance will be provided to convert weights prepared based on the 1968 SNA to 1993 SNA levels.
- The methodology for estimating the PPPs will be determined by the Global Office, with guidance from the Technical Advisory Group.
- The ICP Regional Workplan was revised based on comments of participating member countries. (Annex IV)
- The FOP, which was earlier presented to the Regional Advisory Board, was agreed upon. Countries were requested to forward their comments to ADB by 1 August 2003.

IV. ICP Asia Pacific Regional Inception Workshop

The inception workshop, held in AIT, Thailand, on 28 July to 1 August 2003 launched the ICP in the Asia Pacific region. Some 49 participants from 22 DMCs and 2 participants from an ADB non-member country, the Islamic Republic of Iran, participated as observers, at their own expense. The Global Coordinator and a representative each from SIAP and the UN Economic Commission for Asia and the Pacific, together with 4 resource persons were also present. The workshop was divided into three sessions: plenary; price statisticians' workshop; and the national accountants' workshop. Agreements reached in the three sessions are presented separately.

A. Plenary

- The body strongly felt the need to conduct advocacy activities on the ICP.
- A consultant will prepare an advocacy paper on the ICP, which will expound the importance and usefulness of the ICP.
- An advocacy meeting will be held for ADB senior management.
- A separate regional advocacy workshop has been proposed to be held subject to the availability of funds. This will, hopefully, make the countries more aware of the significance of ICP outputs and convince them to continue ICP activities after ADB's technical assistance.
- The workplan of ICP Asia Pacific was approved by the body with modifications to include the schedule of submission of the country draft product lists and specifications for food; clothing; and footwear.
- A concern was raised on the decision of China to be included in the Group II countries (household consumption only). The workshop organizers expressed strongly the belief that the value of the regional global ICP exercise would be considerably diminished with China having the second largest economy in the world and its intensive investment programs.

B. Prices Workshop

- Four additional SPDs were included, three for traditional/national clothing and one for religious items.

- The Global or Regional Office may handle price collection for some basic headings, such as construction. The Technical Advisory Group is studying the basic headings for which this can be done.
- The following schedule for the submission of country product lists and specifications for Food, Clothing and Footwear was agreed upon as follows:
 - Group 1 – Bread and cereals (August 22)
 - Group 2 – Meat; Fish (September 5)
 - Group 3 – Milk, cheese and eggs; Oils and fats (September 19)
 - Group 4 – Fruits; Vegetables; Sugar, jam, honey, chocolate and confectionery (October 3)
 - Group 5 – Food products n.e.c; Coffee, tea and cocoa; Mineral water, soft drinks, fruit and vegetable juices; Alcoholic beverages; Tobacco; & Narcotics (October 17)
 - Group 6 – Clothing and footwear (October 31)
- These product lists will be finalized in a workshop originally scheduled for December 2003. The new meeting dates have been set on 26 January to 6 February 2004 at AIT, Bangkok.
- Product specifications submitted by the countries will be investigated, with product specifications undergoing minor modifications to enable cross-country price collection of the same items. Each basic heading will be also be investigated to determine which countries do not have items for a basic heading, and the country will be asked to agree to some specifications for that basic heading. The Household Budget Survey is a good source of information if there is nothing in the Consumer Price Index (CPI).

C. National Accounts Workshop

- The countries still using the 1968 SNA should treat purchases of software and expenditures on mineral exploration as gross fixed capital formation (GFCF) and not as intermediate consumption for their 2004 estimates, as required by the 1993 SNA. With these two changes, the 1968 SNA based data will be sufficiently comparable with those countries that have fully adopted the 1993 SNA. The concerned countries should continue to treat these items as GFCF in their national accounts for the following years.
- The national accounts data submitted for 2003 are for the trial run only and there is no need to submit revised expenditure weights nor revised GDP data if the 2003 estimates are subsequently revised. Data for 2003 should be submitted as soon as possible after July 2004 but submissions can be accepted up to March 2005.
- The national accounts data submitted for 2004 are for the final estimates of PPPs and countries should not compile a special set of national accounts for use only in ICP 2004. Data for 2004 should be submitted as soon as possible after July 2005 but submissions can be accepted up to March 2006.
- Results to be published in December 2006 will use the latest GDP estimates for 2004 that are available as of this date. However, in 2007 or 2008, the ICP Global Office may publish revised estimates for 2004 as participating countries revise their own estimates according to their normal revision schedules.
- It is likely that many countries will be compelled to use results from household expenditure surveys or other sources that refer to a year earlier than 2004. Provided there have been no sharp movements in relative prices, weights based on surveys from earlier years can be accepted for household

consumption expenditure, although efforts should be made to update the weights using more recent information where this is available.

- Weights from earlier years can also be accepted for government consumption expenditure.
- Weights for GFCF should always be updated to 2004 as they may change sharply from year to year.
- Household consumption expenditure, even if it is derived as a residual and may contain a statistical discrepancy, should still be divided among the 110 basic headings.

V. Recent Developments – Post Inception Workshop

A. On the participation of the countries

- The People's Republic of China (PRC) has agreed to participate in the full GDP round but only for 11 cities.
- Mongolia opted to participate in ICP Asia Pacific.
- Iran, a non-ADB member country, will participate in ICP Asia Pacific but will be funded by ESCAP.

B. On the preparation of the country product lists for food clothing and footwear

- Almost all of the participating countries have completed their country product lists for food, clothing and footwear.
- Messrs. Keith Blackburn and Timothy Lo of the Australian Bureau of Statistics (ABS) visited the National Bureau of Statistics, People's Republic of China in September 2003 to assist staff in the preparation of the product list.
- Mr. A. K. Johari, who was engaged by ABS, visited Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka during September/October to assist these countries in the development and refinement of their product lists. Mr. Mark King of ABS accompanied Mr. Johari in his visit to Nepal. More specifically, the objectives of the country visits were to: (i) discuss with interested staff the purpose and status of ICP; (ii) review, in consultation with the national statistical offices, the specifications for the ICP basic headings for which specifications are available; and (iii) work through the complete list of the Structured Product Descriptions (SPDs) and develop specific product specifications appropriate for the country.
- The other countries, Cambodia, Fiji, Indonesia, Lao PDR, Malaysia, Mongolia Pakistan, Philippines and Thailand visited the Australian Bureau of Statistics in Canberra in October/November 2003 to progress the work on the Groups 1-6 product list items and to commence work on the remaining non-food and non-clothing items. The visit also gave the participants a more advance knowledge of the product list development process.

C. Other developments

- Mr. Sultan Ahmad prepared a draft advocacy paper on the ICP and has been circulated for comments. The final document is expected to be available in December 2003.
- The Framework of Partnership, with comments from two countries, was finalized and circulated to the countries for their concurrence.

- Eight DMCs have designated their ICP national coordinators so far.
- The ICP Asia Pacific website can now be accessed at <http://www.adb.org/Statistics/icp/icp.asp>.
- One international consultant was engaged by the ADB to guide the RCU.

VI. Activities for 2003 and 2004

A. Meetings, workshops and trainings

- Training on the revised Toolpack tentatively scheduled for the first quarter of 2004
- The Second Meeting of the ICP Asia Pacific Regional Advisory Board is scheduled for 15 December 2003 at the ADB Headquarters. The agenda is in Annex V.
- Regional Workshop for the Finalization of the Regional Product List for Food, Clothing and Footwear on January 26 to February 6, 2004
- Sub-regional Workshop for the Training of Trainers for Price Collectors
 - For South Asian countries to be held in Goa, India on 23-27 February 2004
 - For East and Southeast Asian countries to be held in Kuala Lumpur, Malaysia on 22-27 March 2004
- In-country training for price collectors in the Peoples' Republic of China in April 2004
- Regional Seminar on the Advocacy of ICP sometime in January to March 2004
- Mid-term ICP Workshop and finalization of the remainder of the Product List in May 2004
- Third Meeting of the ICP Asia Pacific Regional Advisory Board will be decided in the Board's second meeting in December 2003.

B. Other Activities for 2004

- Submission of the rest of the Product List from February to April 2004
- Conduct of actual price collection starting from April 2004 to March 2005
- Collection and processing of Government and Investment Prices from October to December 2004
- Collection and processing of Foreign Trade Prices from April 2004 to March 2005
- Editing of prices and resolution of queries from July 2004 to March 2005
- Submission of 2003 Gross Domestic Product (GDP) data from July 2004 to September 2005

VII. ICP Asia Pacific – NEXT STEPS (2005-2006)

- Calculation of trial results for 2003
- Discussion of the trial results for 2003
- Submission of national accounts data for 2004
- Circulation of 2004 results to participating countries/resolve issues
- Inter-regional assessment of results
- Concluding workshop to discuss final results
- Dissemination of final results to Asia Pacific countries and publication of the global and regional results

VIII. Issues and Concerns

A. Structured Product Description (SPDs)

- There was an observation by the participating DMCs that the SPDs may have been developed based on western standards and some of the price-determining characteristics are not appropriate for Asian economies. For example, rice noodles and Chinese-type sausages, which are quite common among the Chinese populace, are not clearly described in the relevant SPDs.
- Some characteristics/details in the SPDs are difficult to specify. An example is the fiber content for clothing items. This is not commonly specified in the market. Extra effort and time are necessary in order to submit the required information.
- Some countries expressed the urgency to include pictures in the SPDs to facilitate the identification of equivalent products in the local market, especially for vegetables. In some cases, the same terms may have different meanings in different places.
- One country commented that certain characteristics in some SPDs are not price-determining factors so it might not be worthwhile to spend time on providing the information, as in the closure of a jacket, whether it be with a zipper, buttons or snaps.

B. Representativity of items in the product list

- The representativity of some commodities included in the product list was determined based on subjective judgment by the NSOs in the absence of more objective means such as the commodity's share in the expenditures of households as determined in household budget surveys.
- Some items considered to be representative may only be found in some of the big cities.
- Some countries felt the need for more time to check out the items to be included in the country product lists.
- There was a concern on how to deal with seasonal items.

REGIONAL ADVISORY BOARD

The Regional Advisory Board is composed of the following members:

Chair: Chief Statistician, Department of Statistics, Singapore

Co-Chair: Chief Economist, Asian Development Bank

Vice Chair: Director-General, Statistical Standards Department
Statistics Bureau, Japan

Members: Statistician
Australian Bureau of Statistics

Commissioner, National Bureau of Statistics
People's Republic of China

Commissioner, Census and Statistics Department
Hong Kong, China

Director General, Central Statistics Office
India

Director-General, BPS - Statistics
Indonesia

Director, Statistics Division, UN ESCAP

Director, SIAP

Ex-Officio Members: ICP Global Coordinator
World Bank

Chief, ICP Division
EUROSTAT

Member Secretary: Regional Coordinator, ICP Asia Pacific

Participating Countries

Bangladesh
Bhutan
Cambodia
People's Republic of China
Fiji
Hong Kong, China
India
Indonesia
Lao, PDR
Malaysia
Maldives
Mongolia
Nepal
Pakistan
Philippines
Singapore
Sri Lanka
Taipei, China
Thailand
Viet Nam

* Australia, Japan, New Zealand and the Republic of Korea, which are also OECD member countries, will participate through the OECD comparison.

Framework of Partnership
Between the Asian Development Bank
And
Participating Countries
for the
Management and Implementation
of the
International Comparison Program for Asia and the Pacific (ICP Asia Pacific)
Round 2004

I. Purpose

The purpose of this Framework of Partnership (FOP) is to establish the general framework that will guide the program of work between the Asian Development Bank (ADB) and the Regional Coordinator for ICP Asia Pacific and the National Statistics Offices (NSOs) for the International Comparison Program. This Framework of Partnership will operate under the overall guidelines established in a Memorandum of Understanding between the Global Office of the ICP and the regional coordinating agencies.

This FOP enumerates the activities and responsibilities required for the ensuing round of the ICP to be implemented during 2003-2006 timeframe, with 2004 as a base year.

II. Background

Management and coordination of the ICP is needed at three levels: global, regional and country. Since the ICP is essentially a global undertaking and the technical demands of the data require standard procedures to ensure consistency and data quality in all participating regions and countries, the arrangements provide for effective global management. The components are as follows.

Overall coordination and accountability of the global program is achieved through a **Global Executive Board** comprising representatives of the main stakeholders, including international organizations, regional agencies, and national statistical offices. The governing body is responsible for setting goals and objectives as well as the strategic framework for the global ICP, taking into consideration the statistical needs of regional agencies and countries. This body will approve annual work programs prepared by the **ICP Global Office**. The International Secretariat will be responsible for global data analysis and dissemination, resource mobilization, program monitoring and reporting to stakeholders. The Secretariat will prepare annual work programs that will be approved by the Global Executive Board.

In line with the global program, overall coordination and accountability of the regional programme is achieved through the Regional Implementing Agency. The Regional Implementing Agency will be assisted by a **Regional Advisory Board** consisting of representatives of the main stakeholders, including representatives of national statistical agencies and international organizations. The **Regional Advisory Board** assists in the setting of regional goals, priorities, and objectives, taking into consideration the statistical needs of participating countries. The Regional Advisory Board will advise on annual work programs prepared by ADB that will be responsible for the day-to-day management of the regional program. Three meetings of the governing body are envisaged in the first three years, with other business being conducted electronically.

III. Roles and Responsibilities of the Regional Implementing Agency

The key to ICP management lies at the regional level. As the regional coordinator for Asia and the Pacific, ADB, in collaboration with the Global Office, will handle daily operational matters, including coordination, project development, preparation and implementation of the regional comparison. The key tasks of the regional coordinating body are as follows:

1. *Foster country participation, mobilize resources, and coordinate the national programs*

- Establish a regional ICP office with appropriate staff and resources to implement and monitor the program at the regional level;
- Recruit countries to take part in ICP Asia Pacific, and coordinate efforts of the participating countries through information sharing, training, assistance, and ensure that global ICP standards and timetables are met;
- Mobilize resources to finance the regional coordination component of the program and to provide some provide financial support to countries to help cover data collection and processing costs;
- Identify the needs of each country and allocate available resources. Resource allocation will be governed by two objectives: (a) to help generate reliable data for the 2004 round, and (b) to build capacity with a view to institutionalizing ICP as an integral part of national statistical systems and improving the quality and timeliness of data;
- Prepare timetables of activities and due dates in consultation with appropriate authorities in participating countries and establish monitoring criteria to signal possible delays, budget shortfalls, or technical issues requiring attention;
- Organize and conduct regional workshops;
- Provide venues, support, materials, and guides to ensure that participants are properly trained;
- Help participating countries to design their ICP plan of action, which will include the benchmark comparison tasks and follow-up activities deemed necessary to ensure the sustainability of the ICP;

2. Provide mechanisms to ensure countries take full ownership of the program

- Form regional committees, if necessary, representing all stakeholders, in order to fully involve participating countries in the ICP, to ensure that effective communication takes place, to promote the use of the ICP and to guide the dissemination of the results;
 - Keep appropriate financial and administrative records and provide regular progress and financial reports to the Regional Advisory Board;
 - Provide secretarial support to the Regional Advisory Board;
3. Ensure countries observe standard data collection and processing guidelines established by the Global Office
- Develop a list of regional classifications maintaining adequate overlaps with other regions;
 - Ensure uniform standards in the participating countries, regarding comparable and representative items, price collection and outlets from where they are obtained, recording and documentation, and the overall timetable for the program;
 - Assist countries in the adoption of survey methods and compilation of average prices and GDP expenditure weights;
 - Supervise all technical and managerial aspects of the regional program;
4. Establish international data sharing and dissemination procedures
- Ensure that the data sharing procedures established by the Global Office are observed per Appendix A
 - Ensure reasonable adherence to the internationally recommended standards in the presentation of the ICP results before they are made public for their final use.
5. Liaise with the global coordinator and the other regional coordinators
- Liaise with the Global Coordinator and the other regional coordinators on a continuous basis to share information and best practices, and meet annually to discuss any outstanding issues;
 - Provide effective management and a regular exchange of technical information with the Global Office to support the project's overall management and direction;
 - Inform the Global Office of technical matters requiring the attention of the Technical Advisory Group;
6. Compile regional PPPs and prepare analysis of the data and reports
- Process and analyze data from each country and calculate regional PPPs;
 - Publish and disseminate the report; and
 - Promote policy-oriented uses of the data.

IV. Roles and Responsibilities of National Implementing Agency

At the national level, implementation of the ICP is expected to be the responsibility of the agency in charge of routine price data collection, usually the national statistical agency. The implementing agency should appoint a coordinator who will take responsibility for organizing and managing the data collection process and liaising with the Regional Coordinator. The agency will carry out the following three tasks: organizing a National Program, implementing and managing the 2004 round of surveys, and building statistical capacity.

- Identify a National ICP Coordinator to be the focal point for communications with the Regional Implementing Agency.
- Participate in regional meetings to prepare for the ICP price collection and subsequent activities.
- Collaborate with the Regional Coordinator to prepare a list of products and their specifications for the ICP price collection effort.
- In collaboration with the Regional Coordinator and guided by the Handbook, agree upon a timetable for data collection, edit, and submission of the price data to meet the required due dates.
- Designing a comprehensive plan of action, which should cover the comparison period (2003-2006) and the follow up activities.
- Ensure that data collection is carried out for items with agreed upon specifications, geographic coverage, and outlets to be surveyed.
- Transmit price data according to the basic principles on data access policies as defined in Appendix A.
- Submit national, annual average prices for items identified in the pricing lists including appropriate documentation covering the procedures used to determine the average prices.
- Submit Gross Domestic Product (GDP) expenditure estimates for about 155 basic headings, which have been defined by the Handbook for intermediate statistical computation purposes.
- Participate in the inter-regional review of the basic heading parities.
- Assist in resolving any queries arising from data analysis by the Regional Coordinator; and
- Account for funds, if any, received from the Regional Coordinator by maintaining administrative and financial records.

Guidelines and Policies for Data Access, Analysis, and Dissemination
International Comparison Program

Overview

1. **One of the criticisms of previous rounds of the International Comparison Program (ICP) was the lack of attention paid to data quality – an issue more complex for the ICP than for most national data collections. Considerable attention must be given to the determination of what is to be priced, the pricing sources, and data editing to ensure comparable items are priced across countries and unusual or outlier reports are handled consistently within as well as between countries.**
2. **While there is a vast amount of literature on data aggregation methods and index theory, very little exists on basic data collection. The 1992 ICP Handbook provides little information on how to deal with errors that occur in data collection. Nor are there any guidelines regarding the roles of the National and Regional Coordinators.**
3. One fundamental issue is the application of consistent data editing that provides robust international data sets. Country statisticians know how to review data from their national surveys and can identify “outliers” and how prices can vary across regions of their country. They are ultimately responsible for the quality of the data and the resulting official estimates and have to defend departures from expected levels. However, the ICP takes data quality to another level that requires data editing, analysis and estimation across countries.
4. Another criticism of previous rounds was that when countries finished data collection and submitted their results, they were out of the loop as far as any further work was concerned on data aggregation through dissemination. That added fuel to the belief there was little in the exercise for the countries themselves. The policy statements to follow outline how the regional offices will interact with the national offices in the data review process.
5. The following sections outline the data access, analysis and dissemination policies that will guide the work of the National Offices, the Regional Coordinators, and the Global Office. The policy guidelines will define the roles of the different organizational levels.

Data Access, Analysis and Dissemination Policies and Procedures

- (i) **Policy:** National Statistical Offices (NSOs) will be responsible for the basic data collection and editing phases. The Global Office will furnish a software that is to be used for the country level data validation and review where possible. Each country will be expected to use the software for the data validation as described in the data-editing annex to the Handbook. This software will also be used to transmit country level data to the Regional Coordinator.
- (ii) **Policy:** The Regional Coordinator will provide preliminary summaries of national, annual, average prices at the country level to allow all countries in the region to take part in the cross-country editing process.
- (iii) **Policy:** Each country will be asked to transmit individually reported price transactions for each product being priced to the Regional Coordinator on a timeframe to be

agreed upon by the National, Regional and Global Offices. Transmissions should begin before data collection passes the halfway point so that problems of product identification and comparability can be resolved as early as possible in the collection period. If confidentiality legislation does not allow the submission of individually reported prices, two additional requirements must be met.

For each item being priced for each reporting period, the country is to record the national-annual average price, the number of observations, and the minimum and the maximum prices recorded.

The individually reported data needs to be preserved in an electronic format so that the Regional Coordinator via a country mission can review the data to ensure it is consistent with that furnished by other countries. If necessary, the Regional Coordinator will be required to sign the confidentiality statements as required by country procedures.

- (iv) **Policy:** The Regional Coordinator will use basic national data exclusively for editing purposes that involve inter-country comparison and data analysis purposes. Country Comparison Tables (CCT), known as Quaranta tables in the EUROSTAT region, will be used to evaluate average prices and initial PPPs across countries. These tables will be shared with all participating countries in the region. Questions about a country's data will be immediately communicated to its National Coordinator. The Regional Coordinator will not engage in any data change without the knowledge of the national counterpart.
- (v) **Policy:** Problems identified in the review of the CCT that affect consistency with other countries would be documented and shared with all countries in the region and the Global Office. Any changes that could be made to product definitions or collection procedures to resolve a regional problem must have the approval of the Global Office.
- (vi) **Policy:** National Coordinators will submit expenditure weights at the basic heading level on a timetable to be agreed upon among the Global, Regional and National Offices.
- (vii) **Policy:** The Global and Regional Offices will receive guidance from the Technical Advisory Group to determine the method(s) to be used for GDP aggregation.
- (viii) **Policy:** Representatives of countries in the region will take part in the review of the regional aggregations. This will include a review of the national average prices and basic heading PPPs to ensure consistency across the region. The Global Office will participate in this review.
- (ix) **Policy:** Each participating country will retain the reported prices for three years following the release of the global results.
- (x) **Policy:** Countries may publish any country level Purchasing Power Parity and related data, subject to any policy of embargo, which individual countries may have, but such publication will not be made until results of the regional comparisons have been published.
- (xi) **Policy:** Each region will announce the date the data will be released at least 30 days prior to release. There is to be no pre-release of results to special parties.

- (xii) **Policy:** The policy of regional fixity, meaning that the relative position of the countries established in the regional comparison will not be altered in the global comparison, will be followed in the global comparison.

ICP Asia Pacific REGIONAL WORK PROGRAM

Annex IV

ACTIVITY	Responsibility	Timetable																
		2003				2004				2005				2006				
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
PREPARATION OF TECHNICAL WORKPLAN	RC																	Jan - June 2003
MEETING OF REGIONAL ADVISORY BOARD	RAB/RC																	18 June 2003
MEETING OF HEADS OF STATISTICAL AGENCIES	RAB/RC/C																	19-20 June 2003
INCEPTION WORKSHOP – First Draft of Regional Product List and discussion of national accounts issues	RC/C																	28 July - 1 Aug 2003
SUBMISSION OF GROUP 1 PRODUCT SPECIFICATIONS (bread and cereals)	C																	22-Aug-2003
SUBMISSION OF GROUP 2 PRODUCT SPECIFICATIONS (meat, poultry and fish)	C																	5-Sep-2003
SUBMISSION OF GROUP 3 PRODUCT SPECIFICATIONS (milk, cheese, eggs, oil and fats)	C																	19-Sep-2003
SUBMISSION OF GROUP 4 PRODUCT SPECIFICATIONS (fruits, vegetable, sugar, chocolate and confectionary)	C																	3-Oct-2003
SUBMISSION OF GROUP 5 PRODUCT SPECIFICATIONS (food products not elsewhere classified, non alcoholic beverages, alcoholic beverages, tobacco and narcotics)	C																	17-Oct-2003
SUBMISSION OF GROUP 6 PRODUCT SPECIFICATIONS (clothing and footwear)	C																	31-Oct-2003
PREPARATION AND SUBMISSION OF ADVOCACY PAPER ON THE ICP	RC																	Oct - Dec 2003
SECOND MEETING OF ICP REGIONAL ADVISORY BOARD	RAB/RC																	15-16 Dec 2003
REGIONAL WORKSHOP ON ICP - Finalization of Product List for at least food, clothing and footwear and Discussions on the Preparation of the rest of the Product List	RC/C																	26 Jan - 4 Feb 2004
REGIONAL SEMINAR ON THE ADVOCACY OF ICP	RC																	Jan - Mar 2004
"TRAIN THE TRAINORS" WORKSHOPS (India and Malaysia)	RC/C																	Feb - Mar 2004
Submission of the Rest of the Product List	C																	Feb - April 2004
IN-COUNTRY TRAINING OF PRICE COLLECTORS (WITH POSSIBLE ASSISTANCE FROM REGIONAL COORDINATOR)	C																	April - June 2004
COLLECTION AND PROCESSING OF PRICES TO BE COLLECTED OVER A 12-MONTH PERIOD	C																	Apr 2004 - Mar2005
COLLECTION AND PROCESSING OF FOREIGN TRADE PRICES	C																	Apr 2004- Mar 2005
Mid -term ICP Workshop and Finalization of remainder of product list	RC/C																	May 2004
Third Meeting of ICP Regional Advisory Board	RAB/RC																	June 2004
SUBMISSION OF NATIONAL ACCOUNTS DATA FOR 2003	C																	Jul 2004 - Mar 2005
EDITING PRICES AND RESOLVING QUERIES WITH COUNTRIES	RC/C																	Jul2004 - Sep 2005
COLLECTION AND PROCESSING OF GOVERNMENT SERVICES PRICES (point in time)	C																	Oct - Dec 2004
COLLECTION AND PROCESSING OF INVESTMENT PRICES (point in time)	C																	Oct - Dec 2004
CALCULATION OF TRIAL RESULTS FOR 2003	RC																	Jun - Sep 2005
DISCUSSION OF TRIAL 2003 RESULTS WITH COUNTRIES	RC/C																	Jul - Dec 2005
SUBMISSION OF NATIONAL ACCOUNTS DATA FOR 2004	C																	Aug 2005 - Mar 2006
CIRCULATION OF 2004 RESULTS TO PARTICIPATING COUNTRIES/ RESOLVE QUERIES	RC/C																	Oct 2005 - Sep 2006
INTER-REGIONAL ASSESSMENT OF RESULTS	GC/RC																	Apr-Sep 2006
CONCLUDING WORKSHOP - To discuss final results	C																	Sep 2006
DISSEMINATION OF FINAL RESULTS TO ASIA PACIFIC COUNTRIES AND PUBLICATION OF GLOBAL AND REGIONAL RESULTS	GC/RC/C																	Dec 2006

GC = Global Coordinator RC = Regional Coordinator RAB = Regional Advisory Board C = Country

ICP Asia Pacific Regional Workplan and Timetable

The timetable of activities for ICP Asia Pacific 2004 is described below.

- January to June 2003 - PREPARATION OF TECHNICAL WORKPLAN
- 18 June 2003 – FIRST MEETING of the REGIONAL ADVISORY BOARD
- 19-20 June 2003 - MEETING of HEADS of STATISTICAL AGENCIES
- 28 July 28 – 1 August 2003 – ICP ASIA PACIFIC REGIONAL INCEPTION WORKSHOP
- 22 August 2003 - SUBMISSION OF GROUP 1 PRODUCT SPECIFICATIONS (bread and cereals)
- 5 September 2003 - SUBMISSION OF GROUP 2 PRODUCT SPECIFICATIONS (meat, poultry and fish)
- 19 September 2003 - SUBMISSION OF GROUP 3 PRODUCT SPECIFICATIONS (milk, cheese and eggs; oils and fats)
- 3 October 2003 - SUBMISSION OF GROUP 4 PRODUCT SPECIFICATIONS (fruit; vegetables; sugar, chocolate; and confectionary)
- 17 October 2003 - SUBMISSION OF GROUP 5 PRODUCT SPECIFICATIONS (food products, n. e. c.; non-alcoholic beverages; alcoholic beverages; tobacco; and narcotics)
- 31 October 2003 – SUBMISSION OF GROUP 6 PRODUCT SPECIFICATIONS (clothing and footwear)
- December 2003 – PREPARATION of the ADVOCACY PAPER on the ICP
 - A paper on the importance and uses of PPP data for policymaking, assessment of economic growth and development; poverty assessment will be prepared. This paper will be for management who either need to be convinced or are lukewarm towards the uses of PPP data.
 - The advocacy paper on the ICP will be a starting point for the discussions in this proposed seminar.
- December 2003 - SECOND MEETING of the REGIONAL ADVISORY BOARD
- January 2004 – REGIONAL WORKSHOP on ICP for the FINALIZATION of the REGIONAL PRODUCT LIST for FOOD, CLOTHING and FOOTWEAR
 - Finalization of the Regional Product List will be done in stages.
 - The product list for major household consumption (food, clothing and footwear) will be the first priority and is expected to be finished by the end of 2003.
 - Agree on list of items; item characteristics; survey outlets; geographic and time coverage.
 - Preparation of training materials for country trainers on the survey of prices. The trainers are then expected to conduct the trainings in their respective countries.

- Agree on methods to estimate national average prices and annual average prices.
 - Agree on data collection timetables.
- January to March 2004 – REGIONAL SEMINAR on the ADVOCACY of ICP
- The regional seminar on the advocacy of ICP is intended for management people to further market the usefulness and importance of the use of PPP data in poverty assessment; measurement of economic growth and development; and economic policy-making.
 - The participating countries are also encouraged to conduct similar fora in their respective countries.
- February to March 2004 – SUB-REGIONAL TRAINING OF TRAINORS
- These sessions are supposed to provide the necessary skills for the country price collectors in conducting the price surveys for ICP.
 - The trainers who attended the “Train the Trainers Workshop” will conduct the training.
 - There will be two sub-regional workshops, one for South Asian countries to be held in India on 23-27 February, and the other for East and Southeast Asian countries to be held in Malaysia on 23- 26 March.
- February to April 2004 – SUBMISSION of the REST of the PRODUCT LIST
- The product list for government services and gross fixed capital formation will be compiled by the participating DMCs.
- April 2004 to June 2004 – IN-COUNTRY TRAINING of PRICE COLLECTORS
- The trainers who attended the sub-regional training of trainers will conduct their respective in-country training workshops for price collectors.
 - There will be one in-country training for the Peoples’ Republic of China in April 2004.
- April 2004 to March 2005 – COLLECTION and PROCESSING of PRICES
- The participating countries will be conducting price surveys for major components of household consumption (food, clothing and footwear).
- April 2004 – March 2005 – COLLECTION and PROCESSING OF FOREIGN TRADE PRICES
- May 2004 – MID-TERM ICP WORKSHOP and FINALIZATION of the REST of the PRODUCT LIST
- This workshop will be held to assess the progress of ICP Asia Pacific.
 - Problems and issues that need to be resolved will also be discussed as well changes that need to be made for the successful implementation of ICP Asia Pacific.
 - Other components of the regional product list such as government services and gross fixed capital formation will be finalized in this workshop.

- June 2004 – THE RAB MAY DECIDED TO HOLD ITS THIRD MEETING BY JUNE 2004, A YEAR AFTER THE INCEPTION WORKSHOP
- July 2004 – March 2005 – SUBMISSION of NATIONAL ACCOUNTS DATA for 2003
- July 2004 – September 2005 – EDITING of PRICES and RESOLVING QUERIES with COUNTRIES
- October 2004 to December 2004 – COLLECTION AND PROCESSING OF PRICES for GOVERNMENT SERVICES AND INVESTMENT
- June 2005 to September 2005 – CALCULATION of TRIAL RESULTS for 2003
 - As a trial round, the 2003 national accounts data will be used as weights for the 2004 prices submitted by the countries. This will be done since the complete set of 2004 national accounts data from all the participating countries is not expected to be available until the latter part of 2004.
- July 2005 to December 2005 – DISCUSSION of TRIAL 2003 RESULTS WITH the COUNTRIES
 - The trial 2003 results will be discussed with the countries for validation and comments. Problems encountered for the trial rounds will be taken up and estimates may be revised based on the comments and suggestions from the participating countries and the Global/regional coordinators.
- August 2005 to March 2006 – SUBMISSION of 2004 NATIONAL ACCOUNTS DATA
 - Submission of 2004 GDP expenditure weights by basic headings.
 - Recomputation of PPPs using 2004 weights.
- October 2005 to September 2006 – CIRCULATION of 2004 RESULTS to PARTICIPATING COUNTRIES/RESOLVE QUERIES
- April 2006 – September 2006 – INTER-REGIONAL ASSESSMENT of RESULTS
- September 2006 – CONCLUDING WORKSHOP

To discuss --

 - Final results
 - Elicit comments from participating countries before releasing final results
 - Assessment of 2004 ICP Asia Pacific; planning for next round of the ICP.
- December 2006 – DISSEMINATION of FINAL RESULTS to ASIA PACIFIC COUNTRIES and PUBLICATION of GLOBAL and REGIONAL RESULTS

**Second Meeting of the ICP Asia Pacific Regional Advisory Board
December 15, 2003, ADB Headquarters, Manila, Philippines
Agenda**

1. Reports from the first RAB meeting/Heads of Statistical Agencies and Regional Inception Workshop
2. Progress on developing the product descriptions and potential problems
3. Level of participation by Asia/Pacific countries
4. Report from the Global Office including the Executive Board meeting
5. Budget and funding situation at the Global and Regional levels
6. Regional Office report including readiness for the next phases of the program
7. The detailed work program from now until the end of 2004
8. Work program from 2005 onwards
9. Next steps and agreements to proceed.
10. Other matters
 - (i) Comments on the ICP Advocacy paper
 - (ii) Funding for the regional advocacy workshop
 - (iii) Status of participation of the non-ADB member countries
 - (iv) Supplemental activity to RETA 6088
 - (v) Schedule of the next RAB meeting