

ICP Executive Board Meeting Minutes
February 28, 2005
New York, New York

Overview. The primary issues discussed were the status of data collection, the overall work plan, and the time table to the culmination of this round of the ICP.

Review of Regional Situation:

All regions have started data collection except Africa where it was reported that only three countries have started. The schedule for data collection varies by country and by type of product. For example, India is pricing food monthly, but other items such as household appliances quarterly or semi-annually. The Latin American representatives reported on lessons learned from the pilot surveys conducted the 4th quarter 2004. Their main suggestion was that regions need to see some country price data as soon as possible so that potential problems can be identified and solved. It was suggested that this first review be done and then discussed in a workshop environment with all countries in the region.

The Board expressed concern about the African situation. Data collection has been delayed in the region because the necessary funds have not been disbursed to countries. This has also delayed preparations that are dependent on the availability of funding in the countries.. While the AfDB representatives were confident data collection would begin shortly after the funds were disbursed, other Board members raised questions and expressed concerns about the preparation yet to be done and the amount of time required. For example, some countries have not been able determine outlets to be surveyed nor have recruited and trained price collectors. Several Executive Board members expressed the view that the current status of survey preparation could lead to at least a six-month delay in price collection. Some key points raised by the Board were:

- Why was the Board not apprised by the Global Office of the possibility of a delay in Africa in October 2004 when it was also informed that funds would be disbursed between November and December? The Global Office's response was that the extent of the problem did not become clear until country preparedness reports became available in mid January. The template for these reports was prepared by the Global office and distributed to the regions in late 2004.
- Other regional representatives expressed concern that the delay in Africa must not delay the program in the other regions that have started data collection. The Executive Board recommended the other regions continue data collection with the understanding the reference year remains to be 2005.
- The ONS representative stated that the UK, as a major donor to the Global and African programs, has a keen interest in the success of the ICP-Africa. The ONS also offered to provide technical assistance to some participating countries providing that supporting funds were available.
- The Global office was directed to prepare and submit an "Emergency Plan" for the Executive Board's consideration. The Board directed the Global Office and

the AfDB prepare the emergency plan to ensure data collection begin as soon as possible to adhere to the 2005 reference year. The Board stressed the need for prudent measures to minimize the effect on the global program. Some examples to be considered include:

- Determine “essential countries” and concentrate on them first.
- Review scope in terms of coverage of the country on the first data collection; for example starting with capital cities while preparing for data collection at the national level.
- The Global Manager and the chair of the Executive Board subsequently met with the AfDB following the Executive Board meeting. One of the steps agreed upon would be to seek help from National Statistical Offices that could provide technical support and get the “essential” countries started with some activities while the fund disbursement is underway. Agreement was also reached at this meeting to determine the “essential countries and review the scope of the data collection program.

Several Executive Board members felt they needed more information about the status of the program, especially the progress of data collection now that we are in the reference year. The Executive Board directed the Global Office to prepare bi monthly status reports that include information by region such as:

- The number of countries that have begun price collection by major groups of basic headings such as food, clothing and footwear; etc.
- The number of countries by quarter that have submitted prices to the regional coordinator by groups of basic headings
- The number of countries using the Tool Pack by kind of use—full system through uploading data from CPI systems.
- More detail on starting and ending times should be added to the work plan shared with the Board, and it should be placed on the ICP website.
- A progress report should be sent to donors updating them on the status of the ICP, thanking them for their contributions, and giving them a chance to contribute additional amounts.

The Global office was also requested to provide guidance for the regional coordinators for other issues that include:

- Identify countries needing help and what assistance should be provided.
- Define minimum standards for data quality, i.e., what minimum data quality standards are required for a country’s PPPs to be included in the regional/global comparisons.
- Provide best practices for determining the survey framework, data collection and validation.
- Train on use of Quaranta Tables
- Provide policy regarding who has access to micro data for regional and ring comparisons.

The Global Office was requested to prepare some working papers regarding issues involved with Fixity (ranking of countries in regional vs. global comparisons) and

confidentiality of data. The issue regarding confidentiality is the policy regarding access to the item level product specifications, the average prices submitted by countries at the regional level, and also for the Ring prices at the basic heading level by country.

The work plan for the Ring comparison was reviewed. Some Board members expressed concern about the workload and time table and whether it was feasible to expect data collection to begin in 2005.

The funding situation was reviewed. Although the remaining funds will carry the program through 2005, there is still a \$1.1m shortfall

The Board was pleased to note the completion of important chapters in the ICP Handbook on basic heading parities, the ring program and on housing. The Executive Board wishes to acknowledge the significant contributions of the Technical Advisory Group under the leadership of the Chair, Alan Heston and the editor of the ICP manual, Peter Hill.