



### 2<sup>nd</sup> Meeting of the ICP Regional Coordinating Agencies

The second meeting of the ICP Regional Coordinating Agencies took place from May 27-29, 2015 in Washington, DC. The meeting discussed issues including updates on post-2011 activities; maximizing synergies in regional and global post-2011 activities; global core list survey materials for regional PPP updates; expenditures and price deflators data reporting; PPP applications; and discussions on the future of the ICP. Meeting participants included experts from the AfDB, ADB, CIS-STAT, Eurostat, IMF, OECD, UN-ECLAC, UN-ESCWA, World Bank, as well as independent experts.

The United Nations Statistical Commission advice was recalled to sustain the capacity built during the 2011 round and ensure continuity of ICP activities while the ICP 2011 evaluation was being conducted by the Friends of the Chair group. The contribution of Regional Coordinating Agencies at the meeting shed light on the various regional efforts taking place. It was agreed that synergies between regional and global post-2011 activities was needed to help ensure the availability of reliable regional and global PPP updates. Regional Coordinating Agencies and the ICP team agreed to further update the global core lists based on meeting discussions to ensure that the lists represent all regions, in support of regional PPP

updates. The way forward also entails further testing PPP time series approaches using detailed CPI and deflators data, and preparing an e-Learning on ICP and various outreach material. The next meeting of ICP Regional Coordinating Agencies is proposed for October 2015.

### Workshops & Seminars

#### **International Comparisons of Income, Prices and Production conference**

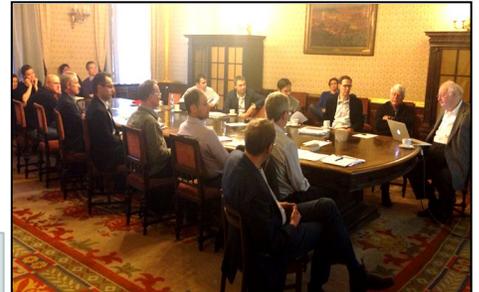
The International Comparisons of Income and Production conference was held at CERGE-EI, Prague from May 22-23, 2015. Sessions covered international comparisons of living standards and prices; collecting prices across borders; wages and prices over time and space; and housing, prices, and output accounting. Among others, a presentation was made on the World Bank initiatives on PPP applications.

#### **Hands-on Poverty Measurement Training – PPPs**

As part of the World Bank hands-on poverty measurement training, a session on PPPs was held in Washington, DC on April 22, 2015. The ICP team conducted this short training for World Bank economists on PPP methodology and recent results and findings.

#### **Billion Prices Project**

Alberto Cavallo of the Massachusetts Institute of Technology explained the Billion



*International Comparisons of Income and Production, May 22-23, 2015, Prague*

Prices Project (BPP) in Washington, DC on June 16, 2015. BPP conducts economic research on prices collected from hundreds of online retailers around the world. On a daily basis the data are collected online with a software that scans the underlying code in public webpages and keeps the relevant price information in a database that includes a vast number of products. More information is available at <http://bpp.mit.edu/>.



*Hands-on PPP Training, April 22, 2015, Washington, DC*

#### **Preferences, Inequality and PPPs**

Ranjan Ray of Monash University, Australia presented his works on “Preferences, Inequality and Purchasing Power Parity: Analytical Framework and Preliminary Results on 2011 ICP” in Washington, DC on June 18, 2015. Discussions focused on the usefulness of subnational PPPs in a large country context such as India; benchmarking the 2011 ICP PPPs against an alternative set of PPPs based on a treatment of consumer preferences, and comparing the multilaterally determined PPPs with those from bilateral PPP calculations in regional contexts; extending the Balassa-Samuels framework by linking consumer preferences and inequality with the PPP and price level



*2<sup>nd</sup> ICP Regional Coordinating Agencies meeting, May 27-29, 2015, Washington, DC*

### Workshops & Seminars cont'd

index; and the preliminary results from the panel estimation of the temporal changes in the ICP PPPs between successive rounds.



Preferences, Inequality and PPPs, April 22, 2015, Washington, DC

### Regional Activities

#### Africa

A workshop on sub-national PPPs took place in Pretoria, South Africa from May 11-15, 2015. It was conducted jointly by the AfDB and Statistics South Africa. Based on the discussions and agreements at the workshop, a preliminary computation of sub-national PPPs for South Africa will be produced and discussed with Statistics South Africa.

A regional workshop to launch the 2015 ICP-Africa activities took place in Dakar, Senegal from June 29-July 3, 2015, organized by the AfDB. The workshop overviewed regional and global 2015 activities; discussed the reduced regional item list and survey tools related to household consumption; reviewed methodology and materials related to national accounts and special survey areas; discussed survey framework principles, preparation and implementation; and agreed on the timetable for the implementation of the 2015 ICP-Africa activities, starting in August 2015.



Africa regional workshop, June 29-July 3, 2015, Dakar

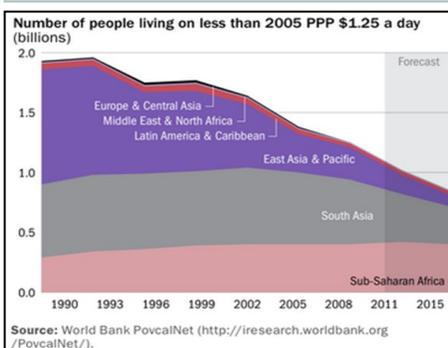
#### Asia

A regional meeting on the methodology for the 2015 update of the PPPs was held in Bangkok, Thailand from June 29-July 3, 2015, organized by the ADB. The meeting launched the 2015 ICP update of regional PPPs; shared country experiences on consumer price index (CPI) practices and methodologies; discussed potential avenues for CPI and ICP workflow harmonization; and discussed methodology and experiences on sub-national PPPs. Many countries incorporated the SPD concept into their CPIs in order to calculate sub-national PPPs, ensuring a good overlap between the CPI and ICP baskets.



Asia regional workshop, June 29-July 3, 2015, Bangkok

### Blog post on MDG monitoring using PPP data



The World Bank published a blog on the progress made towards achieving the Millennium Development Goals (MDGs), based on the 2015 edition of World Development Indicators.

One of the targets for the MDG Goal 1 “Eradicate extreme poverty and hunger” explicitly utilizes PPPs to measure the number of people living on less than \$1.25 a day. The full blog is at <http://blogs.worldbank.org/opendata/mdg-1-uneven-progress-reducing-extreme-poverty-hunger-and-malnutrition>

### Selected Media & Uses of ICP Results (April – June 2015)

Global Poverty Monitoring and the New PPPs: A Note from Kaushik Basu, World Bank Blogs

MDG 1: Uneven progress in reducing extreme poverty, hunger and malnutrition, Juan Feng, World Bank Blogs

World Bank Chief Economist Sets up New Commission on Global Poverty, World Bank Press Release

RI To Break Into Global Top 10 By 2050: Think Tank, The Jakarta Post

The Japan-U.S. Price Level Index for Industry Outputs; Nomura Koji, Miyagawa Kozo; The Research Institute of Economy, Trade and Industry

New Estimates of Global Poverty and Inequality: How Much Difference Do Price Data Really Make?; Peter Edward, Andy Sumner; Center for Global Development

You are what (and where) you eat: capturing food away from home in welfare measures; Gabriela Farfan, Maria Eugenia Genoni, Renos Vakis; World Bank

Global poverty goals and prices: how purchasing power parity matters; Dean Jolliffe, Espen Beer Prydz; World Bank

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