Status of ICP Implementation in Asia and the Pacific

5th ICP Inter-Agency Coordinating Group Meeting
Washington, DC
14-15 March 2018

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The views expressed in this document do not necessarily reflect the views and policies of the ADB or its Board of Governors of the government they represent.
Outline of Presentation

• 2017 ICP for Asia and the Pacific
• 2016 Updating of the PPPs in Asia and the Pacific
2017 ICP for Asia and the Pacific
I. 2017 ICP Participating Economies

• 22 Economies confirmed participation thru the signed Letter of No Objection
  - Bangladesh
  - Bhutan
  - Brunei Darussalam
  - Cambodia
  - China, People’s Rep. of
  - Fiji
  - Hong Kong, China
  - India
  - Indonesia
  - Lao PDR
  - Malaysia
  - Maldives
  - Mongolia
  - Myanmar
  - Nepal
  - Pakistan
  - Philippines
  - Singapore
  - Sri Lanka
  - Taipei, China
  - Thailand
  - Viet Nam

• Instituted Framework of Partnership - defines roles and responsibilities of ADB & the NIAs
• Release of seed funds to the NIAs through an Advance Payment Facility
II. 2017 ICP Operational Materials

2017 ICP for Asia and the Pacific Household Catalogue
- Reviewed the 2011 ICP, 2016 PPP Update and Global Core lists
- An initial list of 928 items were used for initial price collection
- Updated in October 2017 with 935 items.

Price Collection at the Country Level: A Practical Guide (Sector Coverage: Household)
- Summarizes key concepts of ICP and PPPs
- Provides guidelines for field operations
- Forwarded to countries in May 2017
Construction and Machinery & Equipment (M&E)

- Pricing Guidelines and FAQs for Construction were prepared in November 2017

- Pricing Guidelines and FAQs for M&E were prepared in November 2017
II. 2017 ICP Status of Implementation

• Preparatory Activities

**June 2016**

- Formal introduction of the 2017 ICP as a UNSC decision

**September 2016**

- Discussion of Survey Design and Frameworks

**January 2017**

- Regional Advisory Board and Heads of National Implementing Agencies Inception Meetings

**February 2017**

- Regional Workshop to Discuss the HH list and Update Sampling Design

International Comparison Program for Asia and the Pacific 2017
II. 2017 ICP Status of Implementation

- **In-Country Training**
  - Most of the countries conducted HH price survey training in March-April 2017.
  - On the request of CSO Myanmar, ADB conducted a ‘Training of Trainers’ in April 2017.
  - In May 2017, on request from NBS, ADB provided resource persons for in-country ‘Training of Regional/Provincial Staff’ in PRC.
III. Regional Workshops

- Data validation of HH prices and discussion on special surveys on Housing, M&E, and Construction on 4-7 October 2017.

- 29 January – 1 February 2018 workshop
  - Data validation of HH and electronics & software prices
  - Housing services was presented with comments received for the types of dwellings for the rental survey
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### III. 2017 Household Price Collection

#### Number of Household Items Priced by Major Category

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**ICP**

International Comparison Program for Asia and the Pacific 2017

**ADB**
III. 2017 Household Price Collection

**Number of Household Items Priced by Major Category**

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IV. Regional Workshops – Jan/Feb 2018

- **ADB:**
  - Updated the household diagnostics including all data submission (April – September 2017) and sent comments file to countries on **15 February 2018**

- **Countries:**
  - Countries to conduct intra-country analysis using ICP-APSS, focusing on Annex 1 and Annex 2 results
  - Send reviewed prices to include additional data until **January 2018** by **15 March 2018**
IV. Regional Workshops – Jan/Feb 2018

- **Special Surveys - Housing:**
  - Additional housing types for rental survey to be integrated in the catalogue – total 21 (including 2 traditional)
  - Countries expected to conduct housing rental survey by **Q2 2018** with target information for reference year 2017
  - ADB prepared Basic guidelines for Rental Survey rental survey data entry forms on **28 February 2018**
  - Revised volume of dwelling questionnaire to be provided by **mid April 2018**
  - Filled out *Metadata forms* are expected to be received from countries by **mid April 2018**
IV. Regional Workshops – Jan/Feb 2018

- **Special Surveys - Non-Household (M&E and Construction):**
  - Price survey to be conducted by Q1 2018 to include data for year 2017 and Q1 2018
  - ADB to send data entry tool to countries by **mid March 2018**

- **Special Surveys - Non-Household (Electronics and Software Items):**
  - Prices collected in November 2017 (except PRC and BAN)
  - Prices of unspecified not reviewed during the workshop due to very high variations
  - Countries to provide make and model for unspecified priced items and model numbers for specified items
IV. Regional Workshops – Jan/Feb 2018

- **Web-based ICP-APSS:**
  - Effectively manages data collection and aids in the analysis of observed prices
  - Standardizes data collection from multiple countries while consolidating data at ADB
  - Conducted training for Pakistan & Myanmar through video conference
  - Conducted hands-on training and solicited comments from participants during the Jan/Feb 2018 regional workshop
  - Countries to continue providing feedback on the test version of the web-based ICP-APSS
V. Concerns in ICP Implementation - resources

- Human resource constraints
- Financial constraints
- Conflict in the schedule of regular statistical activities and other official concerns with ICP activities
- Changes in organizational structure
- Data confidentiality when there is only one distributor for machinery & equipment items
### VI. 2017 ICP Asia Pacific - Regional Timetable

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- Price collection for household items will be extended to March 2018 to cover a 12-month cycle for countries unable to start in April.
- Prices will need to be extrapolated for the reference year 2017 using CPI data.
VI. 2017 ICP Asia Pacific - Regional Timetable
VII. 2017 ICP Data Access Policy

- Data Access and Archiving Policy:
  - Presented during the Jan-Feb 2018 workshop
  - Countries were requested to review the data access and archiving policy
  - ADB sent a questionnaire (on 9 February) to guide countries on the policy
  - Countries to submit feedback by 6 March 2018
In general, there were mixed reactions. Some country participants were open to the idea of greater dissemination while others had concerns.

A country expressed that they do not have any issues about providing detailed data provided all countries will also do so.

Whether the data submissions to ADB and the World Bank and related access as indicated in the policy will be through a formal agreement?

What is “sub-national”? Does this refer to all sub-national geographical locations covered for prices surveys?

In making available subnational data concerns were raised on the reliability of sub-national average prices. As ICP focusses on national average prices, subnational prices may not be representative of the price levels. This might also lead to mis-interpretations of data by some users.
Some provisions of the data access policy may conflict with the data confidentiality provisions under their statistical laws.

Will the World Bank or the ADB provide price data to users for gap-filled items and reference BHs?

Additional work required for the submission of sub-national prices was also raised by some countries.

What does micro data mean?

Concerns were raised also on sharing price data for products sold by only single dealers in the country as that violates data confidentiality provisions of the Statistics laws.
VII. 2017 ICP Data Access Policy – Comments/Queries

• Do NIAs need clearance from the RIAs when providing micro data directly to the users?
• Does “user” refers only to policy makers, researchers from international, regional and national agencies, as well as academic and research institutions? Does this include individual researchers?
• Workshop discussions highlighted concerns on data reliability and the need to enhance data quality for PPP computation. Thus, access of other users to ICP data can help the countries identify areas of improvement.
• The policy says that that users will share research findings with all stakeholders? Who are the stakeholders?
2016 Updating of the PPPs in Asia and the Pacific
2016 PPP Updating

• 21 Economies confirmed participation thru a Letter of Confirmation
  • Bangladesh
  • Bhutan
  • Brunei Darussalam
  • Cambodia
  • Fiji
  • Hong Kong, China
  • India
  • Indonesia
  • Lao PDR
  • Malaysia
  • Maldives
  • Mongolia
  • Myanmar
  • Nepal
  • Pakistan
  • Philippines
  • Singapore
  • Sri Lanka
  • Taipei, China
  • Thailand
  • Viet Nam

• However, Myanmar was not able to sustain price collection due to change in the ICP management.
2016 PPP Updating

- **Price Data Collection**
  - Most countries could not begin HH price collection as planned from Aug 2015, hence extended until Dec 2016;
  - Data collection in capital city for a reduced list of items.
  - M&E and Construction surveys were undertaken in capital cities in November 2016.
  - November 2017 prices for Electronics and Software will be used for 2016 Update.
Operational materials were circulated to economies as early as June 2015.
Price collection for HH, M&E, Construction is completed.
Final data validation workshop October 2017
Regional data validation workshop held on 2-3 February 2018
2016 PPP Updating – Status of Implementation

2-3 February 2018 regional workshop

- 2016 estimates discussed were based on current data which is yet to be finalized
- Data validation will continue through bilateral consultation with economies
- Price data (Household, CNS, M&E, Compensation):
  - Confirmed price data used in the estimates will be evaluated and cleaned for outliers through bi-lateral consultations with countries
  - Specific country data concerns such as unavailability of price information to represent a basic heading, obvious wrong price data in comparison with 2011 ICP and the 2016-2011 CPI will be communicated to countries by 31 March 2018
2016 PPP Updating – Status of Implementation

2-3 February 2018 regional workshop

- Price data (Household, CNS, M&E, Compensation):
  - Countries are requested to provide the most detailed CPI index information possible for validation purposes
2016 PPP Updating – Status of Implementation

2-3 February 2018 regional workshop

- GDP estimates at the 155 basic headings:
  - GDP diagnostics was sent to countries on 23 February 2018 for review of the National Accounts team in coordination with the country’s ICP Team
  - 2016 GDP estimates are expected to be reviewed, finalized, and sent back to ADB by 15 March 2018
  - ADB will estimate BH level PPPs and higher level aggregates once basic data issues are settled with the countries
  - Any further data revisions will be based on the preliminary PPPs/PLIs
Some questions to be tackled?

- The original purpose of PPP update exercise was research activity – not intended for any extrapolation of official estimates.

- How to treat non participating countries? Should we extrapolate for missing countries or produce results for 20 countries as a research study?

- Should we release the results now as only Preliminary results? Or wait until 2017 results to bring 2011-2017 results together?

- Use of 2016 results for global extrapolation and linking?
Thank you.