

Public Disclosure Authorized

Sixth ICP Regional Coordinator Workshop

Public Disclosure Authorized

September 2005

Summary

ICP Requirements

- **Two Quarters data collection**
- **Capital city if can extrapolate**
- **Average prices by item--#,CV,***
- **GDP at 155 Basic headings**
- **Preliminary data review workshops**
 - **Regional and Global**
- **CPRD for BH PPPs**
- **Methodologies endorsed by TAG**

Confidentiality

- **User ID for submitting data**
 - **PPP2005@worldbank.org**
- **Do not copy anyone—notify Nada Hamadeh via separate email**
- **Data moved to secure directory**
- **Data given “strictly Confidential” status**
 - **Access confined to recipient(s) defined by originating office following WB rules.**

Summary

- **Regional data review problems**
 - **Unit of Measure—counts 1 battery vs 1 package etc,**
 - **Wts (kg) vs volume (liter)**
 - **Ranges too wide**
 - **Specification errors—too general-large CV**
 - **Too few observations**
 - **Limited range of outlets—upscale only**
 - **Too few products**
 - **Data entry errors-----**

Summary

- **Suggested resolutions to data problems**
 - Update survey guidelines
 - Revise product specs—more detail
 - Create new products
 - Eliminate products
 - Meet Minimum number of observations
 - Review outlets/expand coverage

Summary

- **Location/content Global Data Base**
 - **Global Office**
 - **Average prices, # obs, CV, by item, by BH, by country**
 - **PPPs, expenditure wts by BH, by country**
- **Ownership of PPPs—reg'l, global coord**
- **Confidentiality/security statement**
 - **Global office prepare for regions/countries**
- **Data Access—Exec Bd per next table**

Data Access

Type of user	Public	NSI of participating countries with regard to data of other countries in the region	Government departments of participating countries	Scientific institutes, researchers, other international organisations	Regional coordinators for the countries in their region	Global office for all countries ^{III}
ICP input data and results						
Aggregated ICP results and survey level results (PPP, volume index, PLI) down to the level of analytical categories	yes	yes	yes	yes	yes	yes
Item list for price surveys, questionnaires for collecting other input data	No, consider generalized after publish results	yes	yes, restricted procedure	yes, restricted procedure	yes	yes
Price survey results at basic heading level (PPP)	no	yes	yes, restricted procedure	yes, restricted procedure	yes	yes
Average prices per item	no	yes	yes, restricted procedure	yes, restricted procedure	yes	yes
Individual price observations	no	no	no	no	yes	Yes for Ring
GDP expenditure weights and CPI at basic heading level	no	yes	yes, restricted procedure	yes, restricted procedure	yes	yes
Salaries, rents, quantity information for housing	no	yes	yes, restricted procedure	yes, restricted procedure	yes	yes

ce wants to consults data from the Eurostat/OECD PPP comparison that are more detailed than basic heading level (see footnote 4), it has to consult the restricted r

Summary

- **Medical—consider two collections**
 - Brand matrix—Int'l, nat'l, local vs generic/branded
 - Get more observations because of variability
- **Own consumption in prices/nat'l acc'ts**
 - Price using base vs market prices
 - Will differ by country by region
 - Include explanations in meta data
- **Machinery/construction**
 - LAC—AF—CIS continue
 - Asia, W. Asia catch up when funded

Summary

- **Countries with different currencies/ basic exchange rates, such as Iraq**
 - May not be included in overall comparison
 - Include in special studies/tables
- **Define brand types—high, middle, lower**
- **Guidelines—minimum number of observations**
 - Minimum 15 per data collection period
 - Nat'l collection with more variability need 30+

Samples sizes by target precision, and relative standard deviation of item being priced--.10 significance level

Target Precision	Relative Standard Deviation--				
	0.1	0.2	0.3	0.4	0.5
	n	n	n	n	n
5	14	45	100	176	273
10	5	14	27	46	70
15		9	14	22	33
20		5	9	14	20
30			6	9	14

Target Precision=
Estimated price +/- 5 percent 90
percent of the time

Standard Deviation approximately = 1/4(maximum minus minimum)
Relative Standard Deviation = (Standard Deviation/Average price)
Measure of variability of prices

If relative SD >.5, need more tightly specified product
Consider importance of BH

six pack beverage
max= \$6.00
min = \$3.00

Standard deviation = 3/4=\$.75
mean = \$4.50

relative SD = .75/4.50=.17

Target precision(.05) n=45
Target precision).10) n=14

Summary

- **Risks for next round—Translation, manuals, Tool Pack**
- **Document editing principles**
- **Ring Questions**
 - **Data collection 1st half 2006—how annualize, or need to?**
 - **What about seasonal items?**
 - **Non household survey items?**
 - **Own consumption?**

Worksheet 1. Modern Apartment/Flat rented						
Apartment-Rented						
Part A: Number of Dwellings, Area, Expenditures and Rent						
			Estimates by Size of City			
		# units (000's)	Area in Sq Meters (Mil)	Number of Rooms (Mil)	Expenditures (Mil) 2005	Estimates of Annual Rent
		1	2	3	4	5
Total Large Urban						
Total Towns/rural						
Total of Expenditures						
Part B: Distribution of Dwelling by Age, Size and Amenities						
		Large Urban Areas		Small Town/rural		All Dwellings
		# units (000's)	Area in Sq Meters (Mil)	# units (000's)	Area in Sq Meters (Mil)	# units (000's)
Amenities						
Electricity						
Running water						
Inside toilet						
Central Heat/cool						
Age Group						
Under 10 years						
10 to 25years						
Over 25 Years						
Size Group by Rooms						
1-2 Rooms						
3-4 Rooms						
5 or More Rooms						

Summary

- **Housing**
 - **Quantity if no rental data**
 - **Seek user cost from Nat'l accounts**
 - **Seek Census/ real estate, etc**
-

Quality vs. Timeliness

- **Two data collections needed**
 - Pricing correct item/product
 - Product defined comparable, appropriate outlets in price collection

Exceptions to two collections

- No or little variability—
- “easy items”
- Price survey not basis

Summary

- **Data Collection—Region**
 - **Consumption items**
 - Two collections
 - Extend thru 1st qtr 2006
 - **Machinery/construction**
 - GO prepare core int'l list
 - Data collection Qtr I and II
 - How process?

Summary

- **Data Collection—Ring**
 - **Qtr 1 and 2- 2006**
 - **Prepare core global specs—equipment**
 - **Seasonal items?**
 - **Average prices—**
 - **Government**
 - **Subset of occupations—institutions-**
 - **NSO's, Min Finance, central banks, etc**

Summary

- **Regions publish PPPs**
 - Preliminary consumption Qtr III IV 2006
 - Preliminary GDP Qtr IV 2006, Qtr I 2007
- **Global PPPs from Ring**
 - Preliminary Consumption Qtr I 2007
 - Preliminary GDP Qtr I 2007?

Summary—Tool Pack

- **Two regions operational—countries and regional level**
- **One region using DPM at regional level**
- **Two regions restricted by IT not allowing systems with IS**
 - **Possible solution—remove IS capability**
- **Updates made to system Weighted average prices—fix bugs**

Ring Comparison Workshop

												2005				2006			
	Responsible	March	April	May	June	July	August	September	October	November	December	January	February	March	April				
SHOP ITEMS																			
Ring Countries Send Responses	NC/RC																		
Prepare First Draft by Purging Similar Items	GO											Data Collection	Data Collection	Data Collection					
Regions Comment on the Draft, Including What Items are Representative (Pre-Survey)	RC											Data Collection	Data Collection	Data Collection					
Regions Meet With Countries	RC											Data Collection	Data Collection	Data Collection					
Regions Send Comments to Global Office	RC											Data Collection	Data Collection	Data Collection					
Global Office Prepares PSs	GO											Data Collection	Data Collection	Data Collection					
Global Meeting With Regional Coordinators	GO											Data Collection	Data Collection	Data Collection					
Global Office Prepares Final PS	GO											Data Collection	Data Collection	Data Collection					
Translation (Regions)	RC											Data Collection	Data Collection	Data Collection					
Data Collection																			