



**Regional Coordinators Ninth Meeting
Minutes of Meeting
May 22-24, 2013
Washington, DC**

Contents

Opening Remarks	2
Session I. Progress Report and Status of Submission	2
Session II. Overview of Quality of Household Consumption Data.....	2
Session III. Overview of Quality of Non-Household Consumption Data	3
Session IV. Overview of Quality of National Accounts Data and Metadata.....	4
Session V. Survey Framework Information	5
Session VI. Learning from Existing Data to Validate ICP Prices	5
Session VII. ICP Timetable and Activities	5
Summary of Meeting Decisions.....	7
Annex 1. Agenda	11
Annex 2. List of Participants.....	13

Opening Remarks

The 9th Meeting of the 2011 ICP Regional Coordinators (RCs) was held on May 22-24, 2013 at the World Bank in Washington, DC. The meeting was organized in five sessions: I. Progress Report and Status of Submission; II. Overview of Quality of Household Consumption (HHC) Data; III. Overview of Quality of Non-HHC Data; IV. Overview of Quality of National Accounts (NA) Data and Metadata; V. Other Metadata; VI. Learning from Existing Data to Validate ICP Prices; and VII. ICP Timetable and Activities. Annex 1 provides the agenda of the meeting.

In attendance were the RCs from Africa, Asia, the Commonwealth of Independent States (CIS), Eurostat-OECD, Latin America, Pacific Islands, Western Asia, and Georgia as well as staff and consultants of the ICP Global Office (GO), as listed in Annex 2. The meeting was chaired by Michel Mouyelo-Katoula, ICP Global Manager.

Michel welcomed the RCs and participants and stated that the meeting would be guided by three main dimensions: I. Timeline and milestones until the publication of the 2011 results; II. Completeness and quality of data and metadata; and III. Recommendations of the 8th Technical Advisory Group (TAG) meeting.

Michel announced that the timeline remained critical and must be followed as tightly as possible. He emphasized that the meeting would focus on data review and validation to highlight the issues with the objective not to criticize but rather to improve the data.

Session I. Progress Report and Status of Submission

Michel Mouyelo-Katoula reported on the progress of the 2011 ICP and displayed the timetable of milestones and activities to confirm that the crucial dates were understood and agreed upon. He then shared the decisions made at the 44th Session of the United Nations Statistical Commission and at the 8th ICP Executive Board meeting.

He presented three important objectives. Two priority objectives were the review of preliminary global results related to HHC and the global validation of global core prices for HHC. The secondary objective was to discuss issues arising from the global validation of global core items related to the other GDP components.

Session II. Overview of Quality of Household Consumption Data

Household Consumption Data – Availability and Quality

Marko Rissanen presented the 2011 ICP HHC survey global data validation concerning the availability of data and quality of basic heading (BH) Price Level Index (PLI). Data was assessed from the following dimensions: dataset completeness, global comparability, PPP validation, and product list consistency. It was concluded that more reference BH PPPs exist than originally planned because Global Core List items were not available for more BHs than initially identified. Africa, Latin America and the Caribbean, and Western Asia need improvement while Asia, CIS and Eurostat-OECD require fine tuning if possible. Pacific and Caribbean data were still provisional. It must be confirmed by RCs whether BH PPPs derived from Global Core List prices are the same as those based on the entire set of prices (regional and global). The GO will send RCs a list of items that need to be validated and corrected numbers will be verified or deleted by RCs.

Household Consumption Data – Outlier Assessment

Biokou Mathieu Djayeola presented statistics on extreme average price outliers and plans for future validation. Based on the analysis of BH PPP outliers, the ratio between maximum and minimum PPPs for each country should not exceed the threshold of 20 times. BH PPPs for Africa, Latin America and

the Caribbean, and Western Asia need re-computing using cleaned data. Extreme outliers exist most notably in Electricity and Pharmaceutical Products BHs, which need to be solved. Further rounds of validation carried out by the VEG and CoTAF will be based on un-cleaned data.

Household Consumption Data – Importance Indicators

Mizuki Yamanaka addressed the issues found in the validation of importance indicators such as items declared as “important” where no prices were submitted. In response to the 8th TAG meeting, the allocation of importance indicators was reviewed and it was agreed that the allocation of importance indicators needs to be reviewed for uniformity within regions, but not necessarily across regions. GO validation guidelines must be used in each region. The weighted CPD method will be implemented with the TAG recommendation of 3:1 as weights at the regional and global levels. Coordination is needed between Africa and Western Asia on dual participation issues, because for Global Core list items, different allocations of importance indicators as well as gaps in data availability were observed.

Housing data

Virginia Romand summarized the dwelling submissions per region and provided an analysis of rental and quantity submissions. It was concluded that the linking of Eurostat-OECD and ICP regions is feasible and plausible for quantities, and may be plausible for rentals. Eurostat-OECD will provide some rental data. Further testing is required and regions will submit validated data in a database format.

Private Education data

Mizuki Yamanaka reviewed the completeness of data submissions and the quality of the data for private education. The method proposed in the note “Linking Education for Eurostat-OECD Countries to Other ICP Regions” was approved at the total education level as long as no sounder option is proposed. It was agreed that RCs are to conduct further regional validation to improve the quality of data.

Water data

Biokou Mathieu Djayeola reviewed the water survey including the item list. Discussion determined that countries with no water data shall be imputed or additional information will be collected to compute PPPs.

Session III. Overview of Quality of Non-Household Consumption Data

Compensation of Government Employees data

Mizuki Yamanaka reiterated the recommendations made at the 8th TAG meeting and displayed the global validation of the preliminary data. Following the TAG's recommendation, RCs were requested to add the average of all 4 levels of experience for each occupation as a new item and run CPD over all items (each level is an item under each occupation and the average is another item). Each region may use whatever weighting system deemed relevant in the region. An option is to use the population structure in each country and derive weights from it. Countries with insufficient data, such as countries with only base pay data (without total remuneration) or countries with data only for entry level, will not be included in the global linking. However, data from these countries should be utilized in the regional linking. Productivity adjustment is needed at regional and global levels and further validation is required at the regional level.

It was agreed that data for military related occupations and for members of parliament will not be included in the global linking. Inclusion or exclusion of data for these occupations in the regional computations will be decided at each region's discretion.

Construction data

Marko Rissanen covered data validation for the 2011 ICP Construction and Civil Engineering survey, specifically for prices and resources mixes, and highlighted the operational aspects of the TAG meeting decisions. Shared materials included the Global QT and related indices, which were run using data from all countries. It was concluded that data completeness was not an issue but quality needs to be substantially improved. Current prices were not comparable for numerous countries. As a result, assessment of the model or any further data analysis was not possible. All prices need to be converted to preferred units, as listed in the ICP Construction Survey Questionnaire. Further, Annex 6 of the Operational Guide Chapter 18, "Validation of the Construction and Civil Engineering Survey" provides a set of conversion factors.

Data submitted for Russia, originally intended to be used solely for the experimental linking calculations, will also be used for linking of the Eurostat-OECD countries in to global comparison. The total number of linking countries will thus increase to 10. For construction, it was decided that Iran may link through any other country.

Regarding importance, global or regional default values will be used for all countries. RCs are to investigate whether global default values need to be adjusted to allow for regional differences, and inform the GO of any adjustments.

The equipment hire rate items with and without an operator will be treated as separate items. Thus there will be 10 items for this sub-heading, including the original 5. No adjustment to rates without an operator will be made (apart from converting them for the preferred units). If possible, the rates should not include costs for fuel. The GO is to circulate the global codes for the split items. Labor rates should be adjusted to gross rates, in case net rates are provided and the default resource mixes are to be updated as proposed by the TAG, and circulated to RCs. Validation of mark-ups and professional fees is not a priority, as most likely prices or PPPs are not adjusted accordingly. Potentially, prices from the Machinery and Equipment survey can be used to replace the "machinery" items under the materials sub-heading, in case the data quality of these items does not improve.

Machinery and Equipment data

Biokou Mathieu Djayeola invited regional coordinators to present the various methodologies used for machinery and equipment data collection and validation. CIS and Eurostat-OECD have extracted prices of ICP equipment goods items from their ongoing surveys whereas Africa, Asia, Latin America, and Western Asia collected prices based on global core list items. QTs were presented, focusing on identified outliers on the 8 BHs. For machinery and equipment goods, raw data was no longer expected from regions, but rather average prices are required. It was decided that importance is required but the use of it remains uncertain and it will not be used in Asia-Pacific. Further validation is required at the regional level.

Session IV. Overview of Quality of National Accounts Data and Metadata

National Accounts Expenditure data for 2005 and 2011

Virginia Romand and Inyoung Song presented revision of 2005 expenditures data. It was decided at the 8th Executive Board meeting that "revised 2005 GDP expenditure data should come from countries or be reviewed and cleared by the countries themselves." Subsequently, RCs will send the revised 2005 expenditures, population and exchange rates to the GO if they have not done so. For ICP 2005 countries who are not participating in the 2011 round, the GO will work with them to provide those data.

Virginia and Inyoung also presented the intra and inter validation of 2011 expenditure data process. Michel explained that the tool used by the GO for intra country and inter country analysis provides

users with justifications for the significant changes. It was agreed that countries/regions that have more updated information on the 2011 GDP expenditures would send the data to the GO as soon as possible.

Completeness of National Accounts Metadata Questionnaires

Inyoung Song previewed the exhaustiveness questionnaires and national accounts quality assurance questionnaires. Submissions and completeness tables were displayed which reminded RCs of the need for complete submissions as well as revisions.

Session V. Survey Framework Information

Morgan Brannon presented the submission and completeness of survey framework questionnaires and noted the observations based on the current metadata. Charts were provided as examples of the type of information and analysis that can be found from the survey framework questionnaires. RCs were urged to submit and/or validate their metadata by the end of June.

Session VI. Learning from Existing Data to Validate ICP Prices

Ruben Suarez-Berenguela and William Virgil-Oliver presented the validation of pharmaceutical prices. The identification of pharmaceutical products was explained, and the availability of reference prices for comparison during regional validations was clarified. They underlined that the identification of a pharmaceutical product is essential during the price validation process.

A database that establishes a correspondence between ICP pharmaceutical products and two global pharmaceutical lists (Health Action International Global Core list and WHO Essential Medicine list) was presented in order to help the regions/countries to validate their prices.

The question on how to handle situations where the range is huge and whether the products should be split needs resolution.

Session VII. ICP Timetable and Activities

Highlights of upcoming regional activities and schedule for publication of regional results

RCs spoke to their next steps in line with the major milestones of ICP 2011.

Africa planned a data validation retreat for Special Surveys with consultants in early June and a workshop on 2005 and 2011 NA by early July. Updated HHC and non-HHC data will be sent to the GO by early July. In August there will be an internal retreat to compute preliminary results with key resource persons and the results will be shared with countries at a regional workshop. Final submission of all data will be submitted to the GO in October. The regional results and press release will be in November at the time of the African Statistical Symposium.

Asia-Pacific will submit data for all non-HHC to the GO by the end of May and data for all HHC by the end of June. Asia-Pacific has completed price validation of all sectors and is awaiting final confirmation from countries on outlier prices. Preliminary results are intended to be presented to Heads of NIA towards the end of July. Revisions to 2011 NA will be completed by the end of June and 2005 NA are final. The final revision of NA will take place at the end of September allowing for publication of regional 2011 and 2005 revised results in November.

CIS expects to have revised 2005 GDP breakdown by the end of May, 2011 GDP breakdown from countries by June, and will re-compute 2005 ICP results by the beginning of July. A meeting of CIS experts to discuss preliminary results of the CIS ICP 2011 will take place June 19-20. Regional CIS results will be computed and sent to OECD and the GO in September for linking. A meeting of the CIS

experts to discuss the results of experimental linking with the global results as well as a meeting of the CIS ICP Coordination Council on the results of the CIS ICP 2011 will be held in October. Final results will be submitted to OECD and the GO in November with publication and a press release in late November or early December. CIS-ICP experts and the CIS Coordination Council will meet in March or April 2014 to discuss the final report that will be published by June 2014.

Latin America plans to send final data (HHC, special surveys, 2011 NA, and possibly revised 2005 NA) to the GO by the end of June. The survey framework questionnaires will be sent to the GO, though no date has been set. Caribbean will hold its final meeting for NA and special surveys at the end of May and will have preliminary results circulated to countries in the beginning of June. Latin America and the Caribbean are meeting with all focal points in July. They intend to have final results to the Statistical Conference of the Americas in November and then publish results the first half of December.

Western Asia has a meeting for non-HHC validation with discussion of preliminary results of HHC in June and a mission to Kuwait to review data in the beginning of July. In August they have a meeting on 2005 and 2011 NA with the expectation of submitting regional results for the directors of NSOs' clearance in October or November. Publication of final results and a press release is planned for the end of November.

Pacific has a meeting in June to complete the validation of prices and will determine whether "importance" will be used. Data will be finalized by August and sent to the GO by mid-October. Results will be published towards Nov 2013 with approximately 21 Pacific Island Countries and Territories (PICTS).

Georgia is awaiting the final NA breakdown from Armenia and will then recalculate and finalize bilateral results with Armenia. A final meeting is to be held the second week of July to finalize the report on the results of the bilateral exercise.

Iran plans to hold its final meeting July 1-5 to finalize HHC data, validate special surveys, and discuss the 2005 NA revisions and MORES for 2011.

Eurostat-OECD PPP program will submit newly validated HHC and other special survey prices at the end of June. Rental data will be submitted for experimental purposes in the coming weeks while the survey framework information can be expected by November. OECD will send revised food and clothing data in October. New regional BH PPPs including rentals, government compensation, and education will be completed in mid-November. 2005 BH expenditures and possibly final PPPs will be submitted to the GO by the end of November.

2013 Timetable, Major Milestones, and Publication of Global results

Nada Hamadeh briefed the participants on the major milestones and governance meetings remaining for the 2011 round. RCs discussed the timeline and agreed that the next RC meeting would be tentatively set for September 23-24, 2013 as indicated in the table below. It was also agreed that HHC survey data, special surveys, official population figures and exchange rates, NA data, preliminary regional PPPs for all GDP components, and metadata questionnaires would be submitted by the end of June. Submission formats were clarified to ensure seamless updates.

The communication strategy presented included messages to be conveyed to external and internal audiences pre-release, during the release, and post-release of the 2011 ICP published results. Communication activities, tentative timing, and products such as the ICP 2011 final tables of results and other published materials were explained in detail.

Major Milestones and Governance Meetings for 2013

	2013							2014		
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Short report to the EB										
Submission of final 2011 data and metadata										
Short report to the EB										
Preliminary results for HHC confidentially circulated to the EB										
9 th TAG and 10 th RCs' meetings										
Short report to the EB										
9 th EB meeting										
Potential revision of final 2011 data and metadata, in response to comments by the TAG and RCs										
Preliminary results for GDP confidentially circulated to the EB										
10 th EB meeting (if needed)										
Report to the 45 th session of the UNSC										
Release of 2011 ICP Global Results										
Publication of 2011 ICP Final Report										

Summary of Meeting Decisions

Data submission Schedule

- To meet the above major milestones, final 2011 data and metadata for all ICP areas must be submitted by the regions by June 30, 2013 and may be further revised and re-submitted by 31 October 2013.

Household Consumption Data – Availability and Quality

- There are more Reference BH PPPs than originally planned because Global Core List items are not available for more BHs than initially identified.
- Africa, Latin America and the Caribbean, and Western Asia need improvement. Asia, CIS and Eurostat-OECD require fine tuning if possible. Pacific and Caribbean data are still provisional.
- RCs must confirm whether BH PPPs derived from Global Core List prices are the same as those based on the entire set of prices (regional and global).
- The GO will send RCs a list of items that need to be validated. Corrected numbers will be verified or deleted by RCs.

Household Consumption Data – Outlier Assessment

- Based on the analysis of BH PPP outliers, the ratio between maximum and minimum PPPs for each country should not exceed the threshold of 20 times. BH PPPs for Africa, Latin America and the Caribbean, and Western Asia need re-computing using cleaned up data.
- Extreme outliers exist most notably in Electricity and Pharmaceutical Products BHs. These cases need to be solved. Further rounds of validation carried out by the VEG and CoTAF will be based on un-cleaned data.

Household Consumption Data – Importance Indicators

- Allocation of importance indicators needs to be reviewed for uniformity within regions, but not necessarily across regions. GO validation guidelines must be used in each region.
- The weighted CPD method will be implemented with the TAG recommendation of 3:1 as weights at the regional and global levels.
- Coordination is needed between Africa and Western Asia on dual participation issues, because for Global Core list items, different allocations of importance indicators as well as gaps in data availability were observed.

Housing data

- The linking of Eurostat-OECD and ICP regions is feasible and plausible for quantities, and may be plausible for rentals. Eurostat-OECD will provide some rental data. Further testing is required.
- Regions will submit validated data in a database format.

Private Education data

- The proposed linking Eurostat-OECD and ICP regions method at the total education level was approved as long as no sounder option is proposed.
- RCs are to conduct further regional validation to improve the quality of data.

Water data

- Countries with no water data shall be imputed or additional information will be collected to compute PPPs.

Compensation of Government Employees data

- RCs are requested to add the average of all 4 levels of experience for each occupation as a new item and run CPD over all items (each level is an item under each occupation and the average is another item).
- Each region may use whatever weighting system deemed relevant in the region. An option is to use the population structure in each country and derive weights from it.
- Countries with insufficient data, such as countries with only base pay data (without total remuneration) or countries with data only for entry level, will not be included in the global linking. However, data from these countries should be utilized in the regional linking.
- Productivity adjustment is needed at regional and global levels.
- Further validation is required at the regional level.
- Data for military related occupations and for members of parliament will not be included in the global linking. Inclusion or exclusion of data for these occupations in the regional computations will be decided at each region's discretion.
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Construction data

- All prices need to be converted to preferred units, as listed in the ICP Construction Survey Questionnaire.
- Data submitted for Russia will also be used for linking of the Eurostat-OECD countries in to global comparison. The total number of Eurostat-OECD linking countries will thus increase to 10. Iran may link through any other country.
- Regarding importance, global or regional default values for importance will be used for all countries. RCs are to investigate whether global default values need to be adjusted to allow for regional differences, and inform the GO of any adjustments.
- The equipment hire rate items will be split into variants with and without an operator. Thus there will be 10 items for this sub-heading, including the original 5. No adjustment to rates without an operator will be made (apart from converting them for the preferred units). If possible, the rates should not include costs for fuel. The GO is to circulate the global codes for the split items.
- Labor rates should be adjusted to gross rates, in case net rates are provided.
- The default resource mixes are to be updated as proposed by the TAG, and circulated to RCs.
- Potentially, prices from the Machinery and Equipment survey can be used to replace the "machinery" items under the materials sub-heading, in case the data quality of these items does not improve.

Machinery and Equipment data

- Importance is required but the use of it remains uncertain. It will not be used in Asia-Pacific.
- Further validation is required at the regional level.

National Accounts Expenditure data for 2005 and 2011

- RCs will send the revised 2005 expenditures, population and exchange rates to the GO if they have not done so.
- Countries/regions that have more updated information on the 2011 GDP expenditures will send the data to the GO as soon as possible.
- For ICP 2005 countries who are not participating in the 2011 round, the GO will work with them to provide those data.

Completeness of National Accounts Metadata Questionnaires

- RCs will review and submit the NA questionnaires.

Linking Issues

- Pacific Islands multiple linking countries: Linking through Fiji, New Zealand, and Australia will be tested.
- The global linking procedure remains as previously agreed, though an alternative computation may be considered. Singletons and Pacific Islands are not included in global linking, but the Caribbean could be included. Latin America and the Caribbean may be brought together in a unified computation process of LAC PPPs. No linking will be done until the end of June when data is available.

Data Gaps

- Coverage aims for as many countries as possible in the regional computation.

- Gap filling and reference PPPs for prices will be used where necessary. Gap-filled countries will be excluded from the global linking.
- Reference GDP structures could be used to fill expenditure data gaps. All assumption in metadata must be documented to be considered as completed submission.

Annex 1. Agenda

Day 1: May 22, 2013

09:00 – 09:30	<i>Check in and breakfast</i>
09:30 – 09:45	Welcome comments and meeting objectives
Session I	Progress Report and Status of Submission
09:45 – 10:45	Global status report and status of submission
10:45 – 11:00	<i>Coffee</i>
Session II	Overview of Quality of Household Consumption Data
11:00 – 12:30	Household Consumption data
12:30 – 14:00	<i>Lunch – hosted by DECDG</i>
14:00 – 14:30	Household Consumption data (Continued)
14:30 – 15:00	Housing data – Rentals
15:00 – 15:30	Housing data – Volume of Dwellings
15:30 – 16:00	Private Education data
16:00 – 17:00	Water data

Day 2: May 23, 2013

09:00 – 09:15	<i>Breakfast</i>
Session III	Overview of Quality of Non-Household Consumption Data
09:15 – 10:15	Compensation of Government Employees data
10:15 – 10:45	Construction data
10:45 – 11:00	<i>Coffee</i>
11:00 – 11:30	Construction data (Continued)
11:30 – 12:30	Machinery and Equipment data
12:30 – 14:00	<i>Lunch break</i>
Session IV	Overview of Quality of National Accounts Data and Metadata
14:00 – 16:00	National Accounts Expenditure data for 2005 and 2011
16:00 – 16:30	Completeness of National Accounts metadata questionnaires
Session V	Other Metadata
16:30 – 17:00	Completeness of Survey Framework information

Day 3: May 24, 2013

<i>09:00 – 09:30</i>	<i>Breakfast</i>
Session VI	Learning from Existing Data to Validate ICP Prices
<i>09:30 – 10:30</i>	Validation of pharmaceutical prices
Session VII	ICP Timetable and Activities
<i>10:30 – 11:30</i>	Highlights of upcoming regional activities and schedule for publication of regional results
<i>11:30 – 11:45</i>	<i>Coffee</i>
<i>11:45– 12:30</i>	2013 timetable, major milestones, and publication of global results
<i>12:30 – 13:00</i>	Conclusions

Annex 2. List of Participants

	Name	Organization
Regional Coordinators		
1	Chinganya, Oliver	African Development Bank
2	Koechlin, Francette	OECD
3	Konijn, Paulus (Paul)	Eurostat
4	Kosarev, Andrey	CIS-Stat
5	Kuznetsov, Vasily	ROSSTAT
6	Maritz, Athol	Australian Bureau of Statistics
7	Palanyandy, Chellam	Asian Development Bank
8	Roberts, David	Consultant, World Bank
9	Savio, Giovanni	UN-ECLAC
10	Skaini, Majed	UN-ESCWA
Observers		
11	Accibas, Valerica	CIS-Stat
12	Goryacheva, Irina	CIS-Stat
13	Kouakou, Marc Koffi	African Development Bank
14	McCarthy, Paul	Consultant, World Bank
15	Muwele, Besa	African Development Bank
16	Paz Collinao, Maria	UN-ECLAC
17	Sergeev, Sergey	Statistics Austria
18	Suarez, Ruben	Consultant, World Bank
19	Virgil-Oliver, William	Consultant, World Bank
20	Vogel, Frederic A.	Consultant, World Bank
ICP Global Office		
21	Mouyelo-Katoula, Michel	ICP Global Manager, World Bank
22	Brannon, Morgan	Consultant, World Bank
23	Dikhanov, Yuri	Senior Economist, World Bank
24	Djayeola, Biokou Mathieu	Consultant, World Bank
25	Escaler, Federico	Consultant, World Bank
26	Hamadeh, Nada	Senior Statistician, World Bank
27	Rissanen, Marko Olavi	Consultant, World Bank
28	Romand, Virginia	Consultant, World Bank
29	Song, Inyoung	Junior Professional Associate, World Bank