# **Technical Meeting on National Accounts Data Requirements** ICP 2021 Cycle: **Global Update**



May 31, 2021 ICP Global Office, World Bank

# **Release of the ICP 2017 Cycle Results**

### **ICP 2017 result releases**

- Global release of the report "PPPs and the Size of World Economies: <u>Results from the 2017 ICP</u>", <u>data</u>, <u>blogs</u> and <u>communication assets</u> in May 2020
  - Regional releases throughout 2020 and 2021 <u>AfDB</u> | <u>ADB</u> | <u>CIS-STAT</u> | <u>Eurostat</u> | <u>OECD</u> | <u>UN-ECLAC</u> | <u>UN-ESCWA</u>

## **ICP 2017 results have been widely accepted by users**

- Improved quality and consistency with previous benchmark results
  - Working paper by Sir Angus Deaton and Paul Schreyer [NBER]
  - <u>Policy brief</u> by Patrick Honohan [PIIE]

# **ICP 2021 Cycle Major Milestones and Deliverables**

ICP 2021 cycle duration from mid-2020 to mid-2024

### Release of the ICP 2021 cycle results by the end of 2023

- Results for the reference year 2021
- Revised results for the previous reference year 2017
- Annual PPPs for the years 2018 to 2020

 Further dissemination and outreach activities in the first half of 2024

# ICP 2021 Timetable

ICP 2021 Cycle	2020		2021				2022				2023			2024		
		Q4	Q1	Q2		Q4	Q1			Q4	Q1	Q2		Q4	Q1	Q2
Governing Board meetings																
TAG meetings																
IACG meetings																
Operational material/guidance notes																
Price surveys and collections	_			_			_	_		_	_		_			
Expenditure compilations																
Data submissions				-		_								-		
Publication of results																
Dissemination and outreach																

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# **Assessing the COVID-19 Impact**

### **COVID-19 pandemic continues to present risks for the cycle**

- Reference year for the current cycle <u>postponed</u> from 2020 to 2021
- Risks to ICP 2021: (i) country participation; (ii) delays in surveys; (iii) price and expenditure data representativeness; and (iii) coordination and capacity building activities

# IACG is actively supporting national implementing agencies and preparing guidance notes

- Meeting ICP Price Data Requirements During the COVID-19 Pandemic
- Meeting ICP National Accounts Expenditure Data Requirements during the COVID-19 Pandemic

# **Preparing new ICP Guides to Countries**

**Objective:** Strengthening alignment between PPPs and national statistical programs

- <u>A Guide to the Integration of Consumer Price Index (CPI) and</u> <u>International Comparison Programme (ICP) Production Activities</u>
- <u>A Guide to the Compilation of Subnational Purchasing Power Parities</u> (PPPs)

# Outreach, Advocacy and Knowledge [1]

# Purchasing power parities for policy making: a visual guide to using data from the International Comparison Program [Final editing in progress]

### Purchasing Power Parities for Policy Making

A Visual Guide to Using Data from the International Comparison Program



#### Uses and limitations of Purchasing Power Parities

PURCHASING POWER PARITIES FOR POLICY MAKING

Variability grower pathle (PPP) are growing used to convert economies' inflorind accounts expenditures to 6D and its composition is a common currently performed to fair differences in price levels of the constraints and equation the particular grower of the variance currents used across economies, two sectors and equation of the particular grower of the variance currents used across economies, the sectors and equation of the particular grower of the variance currents used across economies, the sectors and the particular grower of the variance current to the sector of the sectors and sectors and the sector and the sector of the sectors and the sector of the sectors also indicated in the sector of the sectors and the sector of the sectors and the sector of the sectors and the sectors and the sector of the sectors and the sector of the sectors also indicated in the sector of the sectors and the sector of the sectors and the sectors and the sectors and the sector of the sectors and the sectors and the sectors and the interactive composition in the sector of the sectors and the sectors and the sectors and the interactive composition of the sector of the sectors and the sectors and the sectors and the interactive composition of the sector of the sectors and the sector of the sectors and the interactive composition of the sector of the sectors and the sectors and the sectors and the sectors and the interactive composition of the sector of the sectors and the sectors and the sectors and the sectors and the sectors as setting of the sectors and the

#### 0X 1 Recommendations on the use of purchasing power paritie

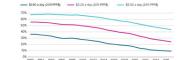
- Recommended uses
  To make spatial comparisons of GDP and its expenditure component
- To group economies by their volume indexes and price levels.

#### Recommended uses with limit

- To analyze changes over time in relative GDP per capita and relative prices.
- To analyze price convergence.
   To make spatial comparisons of the cost of living
- To use PPPs calculated for GDP and its expenditure components
  - use PPPs calculated for GDP and its expenditure components as defiators for other value

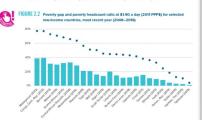
FIGURE 2.1 Poverty headcount ratio at international poverty lines Share of global population (%)

PURCHASING POWER PARITIES FOR POLICY MAKIN

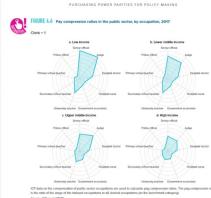


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in order to assess the depth of poverty alongside its incidence, policy makers can examine the poverty g figure 2.2) defined as the mean shortfall in income or consumption from the extreme poverty line, count the nonpoor as having zero shortfall, expressed as a percentage of the poverty line.



Powrpg gap is the mean shortfall, in income or consumption from the extreme powerly line, counting the nonpoor as having zero shortfall, expressed os a parcentage of the powrpg line. Powrpg headcourt ato is the shore of pougle living on livis that so a diag at too PMPs, international powrpg lines are acticulated autor previewide par PMPs to the expenditure component Heureholds and Netprofit Instations Serving Neuroshort SMPSNe (Pack Consumption Expressional REPSNe) (REPSNE). Source World RepsNetpressional RepSNet (Pack Consumption Expressional REPSNet) (REPSNE).



Social safety nets

The World Bank's <u>Alsa of Social Potection Indicators of Resilience and Sauy</u><sup>10</sup> (ASPRID database complex indicators on social safety network and monostributory social assistance propriates that are designed to help individual and households cope with chronic powerty, destitution, and vulnerability have include uncontrolland and conditional cash transfers, monotifulary social periods. MPH Based indicators and in-kind transfers, school fielding program, public works, and fee waivers. MPH Based indicators are alkabile on social safety net sommitty (given 4.3). Neity manner: cause these data to assist and in-kind transfers, school fielding program, public works, and fee waivers. MPH Based indicators are alkabile on social safety net sommitty (given 4.3). Neity manner: cause these data to assist weeks to implement habitorially apportation social protection systems and measures for all and by 2000 active socialistic coverage of the poor and the vulnerable.

# **Outreach, Advocacy and Knowledge [2]**

- <u>ICP website</u> tracks PPP and ICP data uses in reports, papers, articles and blogs, and collates ICP communication materials
- <u>ICP blog series</u> covers all aspects of the ICP and explores the uses by economists, researchers, policymakers and others
- <u>PPP eLearning course</u> presents key PPP concepts, methodology and applications, and introduces the ICP
- <u>ICP newsletter</u> features latest global, regional and national activities, as well as latest uses in reports, papers, articles and blogs

