



Regional: 2020 International Comparison Program for Asia and the Pacific

Project Name	2020 International Comparison Program for Asia and the Pacific				
Project Number	53303-001				
Country	RegionalBangladeshBhutanBrunei DarussalamCambodiaFijiHong Kong, ChinaIndiaIndonesiaLao People's Democratic RepublicMalaysiaMaldivesMongoliaMyanmarNepalPakistanPhilippinesChina, People's Republic ofSingaporeSri LankaTaipei, ChinaThailandViet Nam				
Project Status	Proposed				
Project Type / Modality of Assistance	Technical Assistance				
Source of Funding / Amount	<table border="1"> <tr> <td>TA: 2020 International Comparison Program for Asia and the Pacific</td> <td></td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 2.00 million</td> </tr> </table>	TA: 2020 International Comparison Program for Asia and the Pacific		Technical Assistance Special Fund	US\$ 2.00 million
TA: 2020 International Comparison Program for Asia and the Pacific					
Technical Assistance Special Fund	US\$ 2.00 million				
Strategic Agendas	Inclusive economic growth Regional integration				
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships				
Sector / Subsector	Public sector management - Economic affairs management				
Gender Equity and Mainstreaming	No gender elements				
Description	<p>The Asian Development Bank (ADB) through the Economic Research and Regional Cooperation Department (ERCD) has been the regional implementing agency (RIA) of the International Comparison Program (ICP) for Asia and the Pacific since 2003. The ICP, implemented under the overall guidance of the United Nations Statistical Commission (UNSC), is the world's largest statistical initiative that aims to produce globally comparable measures of gross domestic product (GDP) and its components (household consumption expenditure, government consumption expenditure, gross fixed capital formation, and imports and exports) based on purchasing power parities (PPPs) for economies across the world. The ADB has added value to this global initiative by successfully coordinating the 2005 and 2011 ICP benchmark rounds for Asia and the Pacific region as RIA and producing regionally comparable PPPs required for estimating the global PPPs; and through the Office of the Chief Economist and Director General Statistics and Data Innovation Unit (EROD-SDI, ERCD), is the RIA for 22 participating economies for the ongoing 2017 ICP cycle for Asia and the Pacific. The proposed knowledge and support technical assistance (KSTA), is aimed at supporting ADB's continued role as the RIA for the 2020 cycle of the ICP in Asia and the Pacific region to produce PPPs for the year 2020 and undertaking related statistical capacity building activities in the participating economies. Within the scope of the KSTA, ADB will provide overall management, coordination of regional data collection in the participating economies through the national implementing agencies (NIAs), data validation, analysis, and calculation of the Asia Pacific regional PPPs for the 2020 cycle of the ICP which is targeted to begin globally from January 2020.</p>				
Project Rationale and Linkage to Country/Regional Strategy	<p>There is an increasing demand from stakeholders for more frequent PPP-based comparable measures of economic output of economies which are free from price and exchange rate distortions. The PPPs obtained through the ICP are used for direct comparisons of indicators of well-being such as GDP per capita or expenditures, per capita on health, education, and housing, etc., and thus allow cross country real comparisons of price levels, and standards of living and wellbeing. The PPPs for household consumption have been the main inputs for deriving the International Poverty Line (IPL) and updating poverty headcounts used for monitoring targets on global and regional poverty associated with the SDG agenda. Currently the IPL set at \$ 1.90 per day is based on 2011 ICP PPPs. Apart from the use of the PPPs for monitoring poverty, there are other PPP-based indicators in the SDG framework that are used to monitor income inequality, energy intensity, labor productivity, CO2 emissions per unit of GDP, etc. ADB's policy paper 'ADB Corporate Results Framework, 2019-2024' is aligned with the SDG agenda and includes indicators which track development progress in Asia and the Pacific and whose measurement depends on PPPs. Other examples of international organizations making uses of PPPs include Human Development Index by United Nations Development Programme, assessment of per capita expenditures in education by United Nations Educational, Scientific and Cultural Organization; and calculation of Special Drawing Rights and voting power of a member country by the International Monetary Fund, formula for which includes GDP in PPP terms among other variables. ICP's principles and methods are now being used by some economies to produce sub-national PPPs for undertaking sub-national comparisons of standards of living within a country.</p> <p>Until recently, the ICP has been implemented at irregular benchmark years, with the last four rounds conducted in 1993, 2005, 2011, and 2017. Extrapolation techniques are used for estimating PPPs for non-benchmark years. Lessons from the past suggest that, extrapolating PPPs for inter-benchmark years, especially when there is long gap between the benchmark years has been problematic, leading to big differences between the extrapolated PPPs and the PPPs from the new benchmark. The extrapolation approach implicitly assumes that internationally comparable price indexes evolve identically with national price indexes that are used for extrapolation. Comparability problems also arise on account of methodological improvements in computing PPPs across ICP benchmark years. As such the consistency between spatial and temporal indexes cannot be maintained over a long period of time leading to large revisions in GDP expressed in PPP terms when ICP benchmark results become available.</p> <p>In response to the above, the UNSC endorsed the ICP global comparisons as a permanent element of the global statistical work program in March 2016. The UNSC also endorsed a shortened interval between ICP benchmark rounds and the conduct of subsequent benchmark ICP rounds in a cycle of three years starting 2017. Having shorter intervals between ICP benchmark rounds is expected to provide direct price comparisons more frequently. ICP is a multilateral exercise, which is implemented with collaborative participation of national statistical agencies, regional agencies, and international development partners with shared responsibilities in data collection, validation, and processing; and estimation of PPPs and other economic aggregates. This governance framework with actors at the national, regional, and global levels makes ICP a unique global statistical initiative that has successfully led to the implementation of 2005, 2011, and ongoing 2017 ICP rounds.</p>				
Impact	Utilization of comparable macroeconomic statistics in policymaking and research enhanced				
Outcome	Comparability of macroeconomic aggregates for the ADB member economies in Asia and the Pacific improved				
Outputs	ICP Asia Pacific Regional Governance Framework Established ICP survey tools developed and price surveys conducted. ICP knowledge products delivered. Statistical capacity of participating NIAs developed and strengthened				
Geographical Location	Regional				

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

Business Opportunities	
Consulting Services	ADB will engage the consultants and carry out procurement following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.
Procurement	While NIAs will procure equipment and software following ADB's procurement guidelines, ADB will procure software for data processing, and desktop and laptop computers and other IT equipment and consumable items if any TA recipient is unable to follow ADB procurement guidelines or for purchase of software and IT equipment requirements for project data processing by ADB's project team.

Responsible ADB Officer	Kaushal Joshi
Responsible ADB Department	Economic Research and Regional Cooperation Department
Responsible ADB Division	EROD-SDI
Executing Agencies	Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines

Timetable	
Concept Clearance	23 Sep 2019
Fact Finding	-
MRM	-
Approval	-
Last Review Mission	-
Last PDS Update	11 Oct 2019

Project Page	https://www.adb.org/projects/53303-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53303-001
Date Generated	15 October 2019

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.