

**PROJECT INFORMATION DOCUMENT (PID)
IDENTIFICATION/CONCEPT STAGE**

Report No.: PIDC20154

Project Name	The Harmonization of Price Statistics and National Accounts Activities and Production of Biennial PPP Estimates in Western Asia
Region	OTHER
Country	World
Sector(s)	General public administration sector (100%)
Theme(s)	Analysis of economic growth (25%), Economic statistics, modeling and forecasting (50%), Macroeconomic management (25%)
Lending Instrument	Lending Instrument
Project ID	P154429
Borrower Name	UN-ESCWA
Implementing Agency	
Environment Category	C - Not Required
Date PID Prepared	04-Feb-2015
Estimated Date of Approval	30-Mar-2015
Initiation Note Review Decision	The review did authorize the preparation to continue

I. Introduction and Context

Country Context

As a regional initiative, this project will entail the cooperation of participating countries to share good practices and will thus promote and reinforce institutional coordination and economic relationships in support of regional development efforts and post MDG agenda. This project aims at enhancing the national statistical systems through the statistical capacity development of countries in order to produce comparable, reliable, impartial and relevant national and regional data for evidence-based policymaking and research. This comes in line with the outcome of the final regional workshop for the 2011 ICP round which was held in Istanbul in February 2014 for releasing the 2011 ICP results, in which all the participating countries insisted on the importance of sustaining the experiences gained through the 2011 Round and asked the regional office to develop a mechanism ensuring regular production of regional PPPs in Western Asia Region; the countries highlighted their need for such activities which would also reinforce statistical capacity in the areas of national accounts and price statistics. The 45th session of the UNSC, which followed in March 2014, also clearly underlined the presence of a definite need for the production of more frequent PPP estimates in all the regions.

Sectoral and Institutional Context

Internationally comparable estimates of GDP are one of the fundamental indicators in analyzing the

status of eliminating extreme poverty and boosting shared prosperity, which are the twin goals of the World Bank. The proposed project seeks to build and sustain statistical capacities to provide better GDP estimates in PPP terms on a regular basis that serve for policy makers to analyze and design better national and regional policies aiming at improving economic and social performances at country level. Producing regular regional PPPs assists countries in measuring sustainable development and poverty reduction, designing accurate policies, and creating new development opportunities based on real indicators and statistics. The improved indicators also serve for the purpose of minimizing the divergence in the socio-economic structure between the countries of the same sub-region/region.

Relationship to CAS/CPS/CPF

N/A

II. Project Development Objective(s)

Proposed Development Objective(s)

The overall objective of the project is to build the capacity of countries in the areas of price statistics and national accounts, in order to advance the data foundation for measuring sustainable development, and to support evidence based policymaking and effective monitoring.

Specific objectives include:

1. Improving the country' statistical capacity in the compilation of detailed disaggregated national accounts expenditure data, and addressing gaps identified in the 2011 round of International Comparison Program (ICP) in the compilation of GDP expenditures.
2. Harmonizing price collection activities of the countries' Consumer Price Index (CPI) activities with ICP activities and producing regular Purchasing Power Parities (PPPs).
3. Improving the countries' statistical in developing price indices for difficult areas such as housing, government services and gross fixed capital formation.
4. Promoting partnerships between national statistics offices (NSOs) and international agencies by sharing good practices and building human capital and national partnerships.

Key Results

1. Increased capacity of each participating countries by establishing regional price harmonization and strengthening the NSOs' regular activities in price statistics and national accounts.
2. Training materials for price statistics and national accounts in Arabic/English.
3. A sub-regional/regional harmonized product list for price statistics surveys (integrating CPI and ICP) and implementation of surveys based on the list.
4. Sub-regional/regional PPP estimates on a regular (biennial) basis.
5. A summary report including the work strategy followed, the produced estimates and indices, and related analysis.

III. Preliminary Description

Concept Description

To enhance the capacity of countries' national practices and methodologies in the fields of national accounts and price statistics, and to produce indices to match the international recommendations, the project activities are mainly:

1. Workshops: these workshops will aim at (i) planning and promoting a strategic approach for the integration of CPI and ICP activities, including reviewing existing ICP and CPI item list and constructing a harmonized list; (ii) identifying and assessing the gaps encountered in the

compilation of detailed disaggregated GDP expenditure data such as housing, financial services, net purchases abroad, services provided by non-profit institutions serving the households, government services, gross fixed capital formation, inventories and valuables; (iii) identifying and addressing certain areas with difficulties in price comparison such as cost of housing rentals, government services and gross fixed capital formation; and (iv) supporting data quality processes.

2. Preparation of training materials: the materials will help in (i) improving survey design and price data collection and processing methods; (ii) helping countries further understand national accounts concepts and data compilation process for detailed disaggregated level; and (iii) strengthening data quality processes.

3. Technical assistance: this activity will aim at (i) preparing a 'Needs-Assessment' evaluation for each country; and (ii) providing countries with direct technical support to ensure proper implementation and execution of the recommended methodologies with a focus on the gaps and difficulties encountered in the price statistics and expenditure data compilation.

Also, through the three activities, the project aims to strive forward with the momentum gained and leveraged through previous international efforts and investments, such as ICP 2011, in terms of human capital, national partnerships, etc.

IV. Safeguard Policies that Might Apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01		x	
Natural Habitats OP/BP 4.04		x	
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11		x	
Indigenous Peoples OP/BP 4.10		x	
Involuntary Resettlement OP/BP 4.12		x	
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

V. Financing (in USD Million)

Total Project Cost:	0.38841	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Borrower			0
Trust Fund for Statistical Capacity Building			0.38841

VI. Contact point

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