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**Items for discussion and decision: International
Comparison Programme****Report of the World Bank on the International
Comparison Programme****Note by the Secretary-General**

In accordance with a request of the Statistical Commission at its thirty-ninth session,** the Secretary-General has the honour to transmit to the Statistical Commission the report of the World Bank on the International Comparison Programme. The Commission may wish to express its view on the preparations for the 2011 round of the programme. Points for discussion are included in paragraph 45.

* E/CN.3/2009/1.

** See *Official Records of the Economic and Social Council, 2008, Supplement No. 4 (E/2008/24)*, chap. I.B.



Report of the World Bank on the International Comparison Programme

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I. Overview

1. The recent round of the International Comparison Programme (ICP), referred to as the 2005 round, has been completed with the publication of purchasing power parities (PPP) based on price and other data collected for 146 countries. The 2005 round was built on an extensive partnership between many international, regional, and national agencies. At its thirty-ninth session, the United Nations Statistical Commission welcomed the successful completion of the 2005 round and in order to maintain the momentum requested that preparations for the next ICP round begin immediately with a target year for data collection of 2011 (see annex I to the present report, decision 39/103).

2. The most important requirements for organizing the 2011 round are to develop a clear and broadly agreed governance structure and to set out a clear work programme; this is the purpose of the present report. The proposed governance structure builds on: (a) the mandate provided by the Statistical Commission for the next round and summarized in annex I; (b) the most effective elements of the 2005 round governance structure; and (c) recommendations of the ICP Friends of the Chair evaluation report. The work programme has been prepared under seven main headings.

3. The present paper was discussed and reviewed by the ICP Interim Executive Board at its June and October 2008 meetings, and revised based on the comments of its members. The ICP Interim Executive Board hereby presents the paper as a report to the Statistical Commission at its fortieth session. The Commission may wish to comment on the preparations for the 2011 round, especially the recommended governance structure, workplan and advocacy efforts.

II. Proposed governance structure for the 2011 round

A. Key elements of the governance structure for the 2005 round

4. The ICP 2005 round is recognized as having been successful. Its governance structure worked well, largely thanks to the commitment of all participants and partners. The main elements of the governance structure included:

- **ICP Executive Board:** the policy setting and decision-making body responsible for overseeing the successful implementation of the programme
- **Global Office:** housed at the World Bank in the Development Data Group and composed of a team of World Bank staff statisticians and economists assigned to the ICP project for the duration of the round
- **Global Manager:** recruited as a World Bank staff member in 2002 specifically for this function to manage the ICP Global Office on a day-to-day basis. The Global Manager was accountable to the Executive Board by reporting to the Board and to the Director of the Development Data Group, on a day-to-day basis
- **Technical Advisory Group:** provided guidance on technical issues and approved and monitored the use of appropriate methodology

- **Regional implementing agencies:** responsible for setting up the structures required to implement and monitor the programme at the regional level. Each regional agency established a regional ICP office headed by a regional coordinator. Regional agencies also set up arrangements to maintain contact with participating countries. Within participating countries, the Programme was carried out by national implementing agencies
- **ICP Council:** was intended to provide a forum where the users and stakeholders could monitor progress and express views. Although the 2005 round did not accommodate this element in its governance structure, there may be an opportunity to consider a similar element for the 2011 round.

B. Friends of the Chair recommendations for the 2011 round

5. The main focus of the Friends of the Chair review of the ICP 2005 round (see E/CN.3/2008/4) was the governance structure. The Friends of the Chair concluded that the governance structure worked well and had proved capable of handling the main challenges of the round. It also noted that the structure and the management initiatives taken have turned the International Comparison Programme into an efficient global system, providing a solid basis for managing future rounds. However, the evaluation concluded that there are some elements of the governance structure that need to be improved. The Friends of the Chair's main recommendations regarding the governance structure are as follows:

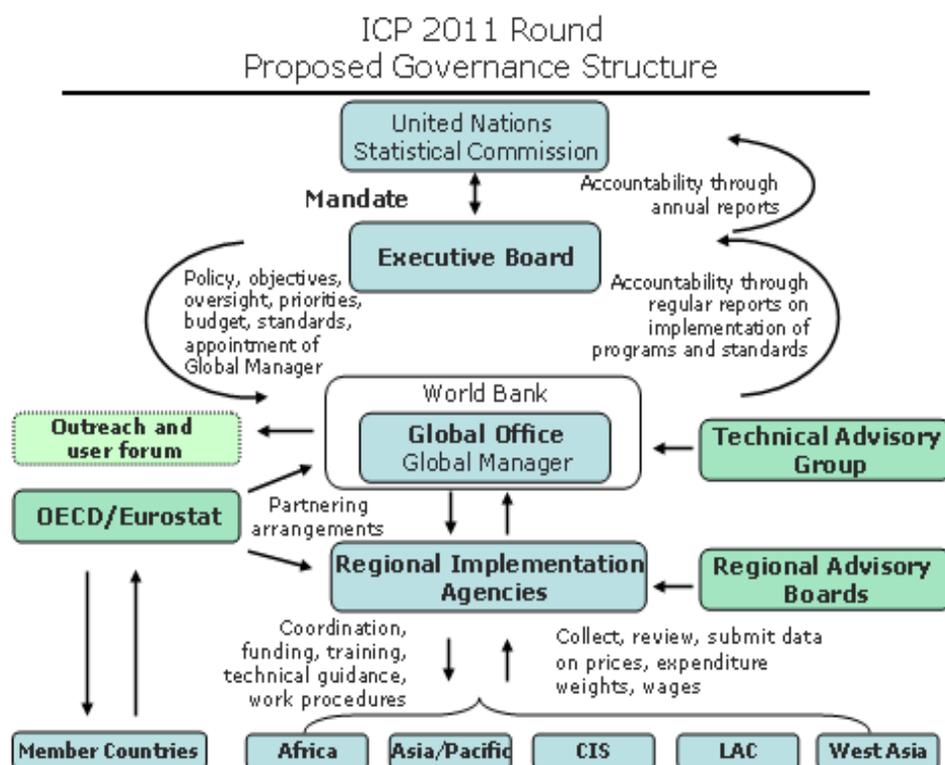
- **Executive Board** — The Friends of the Chair suggested that there is a need for a transparent system for appointing the rotating members of the Board.
- **Global Office** — several recommendations were made concerning the Global Office. These include:
 - There should be terms of reference clarifying the roles and responsibilities of the host organization;
 - To further strengthen the Global Office's competence and capacity on price statistics and national account issues, it was recommended that a partnering arrangement be established with one or two national statistical institutes, known for their expertise and excellence in price statistics and national accounts from the start of the next round;
 - A decision on the host organization for the next round should be made as soon as possible.
- **Global Manager** — The Friends of the Chair made two recommendations regarding the next Global Manager:
 - The responsibility and authority of the Global Manager should be strengthened, in line with the mandate of the Global Office;
 - The Global Manager should be appointed by a subcommittee of Executive Board members.
- **Partnership arrangements** — The Friends of the Chair report emphasized that the partnering arrangements should be put in place from the outset of the next round. Regarding the role of the Organization for Economic Cooperation and Development (OECD)/Statistical Office of the European Communities

(Eurostat), the report noted that there is need for strengthening the working relationship between OECD/Eurostat and ICP on a mutual basis.

C. Proposed governance structure for the 2011 round

6. Building on the structure of the 2005 round governance, the proposed 2011 structure is summarized in the following figure. While the overall structure remains largely the same, there are some differences described in more detail in the following sections. However, it is important to start with a review of the basic principles of the International Comparison Programme and the accountability of stakeholders for the 2011 round.

Figure 1



Abbreviations: CIS, Commonwealth of Independent States; LAC, Latin America and the Caribbean.

1. Some basic principles

7. The International Comparison Programme is a global statistical programme and is both technically and operationally complex. Its success is measured by the extent of improvement in the quality of the price and national accounts data used to produce purchasing power parities. The basic principle is that all participants agree jointly on the methodology, workplan, and timetable. The governance arrangements

need to provide an environment for the Programme to succeed, both in terms of providing technically sound data, but also as an international partnership with participants from national, regional, and international agencies working together effectively.

8. The International Comparison Programme is carried out at the behest and under the auspices of the Statistical Commission. Within this overall authorizing framework the governance structure needs to:

- Promote coordinated activities in all regions and participating countries, ensuring the collection, compilation, and dissemination of high quality and comparable data in a timely manner
- Provide for an open and transparent way of deciding on priorities and for allocating resources in a balanced manner to different ICP activities
- Govern ICP as a partnership arrangement and facilitate resolution of technical and operational issues while acknowledging the roles of the main participants
- Ensure that all participants are clear about their responsibilities and to whom they are accountable
- Ensure resource mobilization and effective use of resources based on priority activities
- Pay particular attention to promoting and enabling communications among all key participants and stakeholders
- Build capacity and sustainability for future rounds.

2. Who are the stakeholders for the 2011 round?

9. Part of the complexity of projects such as the International Comparison Programme arises from the varied interests of its stakeholder constituencies. The stakeholders of the Programme include:

- The international statistical community, acting through the Statistical Commission
- The international sponsoring agencies
- National Governments and agencies providing funding (donors, other funding agencies and foundations)
- Regional implementing agencies
- Participating countries, especially the staff and management of the implementing agencies
- Current and potential users of the data (international agencies, national Governments, private sector, other users) and researchers.

10. Some individuals and agencies may fall into more than one category, but all have some interest in how the International Comparison Programme is managed and in its success. It is important for the governance structure to promote regular consultations between stakeholders to ensure that their views are heard and, where justified and practical, acted upon.

3. Legal status of the International Comparison Programme

11. The International Comparison Programme is an international statistical partnership based on a professional cooperation arrangement involving many agencies. It is financed through cost-sharing arrangements involving national, regional, and global coordinating units. The global coordination tasks are carried out by the Global Office and financed by a multi-donor trust fund managed in the 2005 round by the World Bank. Managerial accountability, in terms of operational and financial requirements, is decentralized and rests with specific managers and follows the administrative and fiscal rules of the agency or agencies involved.

12. The International Comparison Programme, through the Executive Board and with the advice of the Technical Advisory Group, is ultimately accountable to the Statistical Commission. Against this background, therefore, ICP is not an organization or an entity with a clear legal status. However, many of its elements including the global and regional arrangements have been formalized over time through memorandums of understanding signed by some of the key players. This mechanism worked well in the 2005 round and will be followed and extended for the 2011 round.

13. Recognizing that the International Comparison Programme does not have a separate legal identity, additional steps to formalize the status of a number of relationships will be taken in the 2011 round, focusing on specific parts of the programme. An umbrella memorandum of understanding will be signed by the United Nations Statistics Division, on behalf of the United Nations Statistical Commission and the World Bank as host agency of the Global Office. This will set out the roles and responsibilities of the host agency and the reporting relationships to the Statistical Commission. Another step will be to formalize the status of the Executive Board and to limit the liability of its members. Based on legal advice, it is proposed to put in place an appropriate mechanism, which will make it clear that members of the Board are representatives of their agencies and their participation follows the rules and regulation of these agencies. This process will also clarify the position regarding the costs of participation in the Board. Finally, it will also set out rules of procedure to ensure that proper records are maintained and that decisions are fully documented. The aim will be to have as wide a public disclosure as possible of formal documents such as minutes of meetings.

4. The 2011 round Executive Board

14. It is proposed that the terms of reference of the Board remain largely the same as those used for the 2005 round. The Board will be a decision-making and strategic body. It will be responsible for the successful implementation of the Programme. It will have the following roles, responsibilities, and accountabilities:

- Providing leadership and determining strategic priorities
- Overseeing the ICP global partnership arrangements
- Promulgating ICP standards
- Approving annual work programmes and budgets; and strategic decisions on use of resources
- Playing a major role in advocacy and resource mobilization

- Overseeing the activities of the ICP Global Office on the basis of work programmes and progress reports
- Ensuring the quality and timeliness of published data, methodologies, and related guidelines
- Providing status reports to the Statistical Commission through the Global Office
- Providing input to the appointment and performance evaluation of the Global Manager
- Commissioning evaluations of the Programme
- Acting to resolve any conflicts both within the Programme and between the Programme and its external environment.

5. Membership of the Executive Board

15. The ICP Executive Board will be about the same size as for the 2005 round, that is, between 15 to 20 members, as shown in annex II. Members will be at a senior executive level of director or manager of statistical operations or Chief Statistician. It is assumed that members will serve for the duration of the next round (2009-2013). To meet the concerns of the Friends of the Chair, it is proposed that the membership list, but not the individuals, will be agreed with the Statistical Commission. The list will largely follow the stakeholders' list and include representatives from partner agencies and rotating members from major participating countries; members will be recognized as representatives of their agency or country. In carrying out Executive Board business, members will follow their respective agencies' administrative rules and procedures. The head of the statistical department of the agency hosting the Global Office will be an ex-officio Board member.

16. At the start of the 2011 round, the new Executive Board will be constituted through a formal invitation (which will be issued jointly by the United Nations Statistics Division Director and the Chair of the Friends of the Chair). Formal invitations will include detailed terms of reference and a statement setting out the required commitments from members. The terms of reference will also address how representatives will be replaced as and when required. The Friends of the Chair report proposed that members serve for a period of three years before either being reappointed or replaced. To ensure continuity, however, especially at crucial times for the work programme it is now proposed that members will be appointed for the duration of the programme. Replacements may be required, however, as and when a member resigns from his or her organization or when the participating agency requests.

17. The Executive Board members will select the Chair for the duration of the next round to provide leadership and continuity. The Chair will not only be the convener of the Executive Board, but also keep close contact with the Global Office and stand ready to assist the Global Manager on strategic issues and other priority concerns.

6. Technical Advisory Group

(a) Status, roles and responsibilities

18. The role of this body will be to resolve technical issues comprising conceptual integrity and methodological adequacy. It will carry out two main functions. First, it will advise on issues involving the standards, methods, and procedures required by the Programme. These may arise because of disagreements between participants, ambiguities in the procedures and guidelines, or as a result of previously unforeseen circumstances. It will provide advice on request from either the Executive Board or the Global Manager. Secondly, the Technical Advisory Group may propose research or analysis that it believes is necessary if the Programme is to continue evolving in the face of changing circumstances and providing better answers to users' concerns.

19. Requests for technical advice coming from regional coordinators will be forwarded to the Technical Advisory Group through the Global Manager. To ensure coordination and consistency in technical issues, all requests to and communications from the Group will be sent through the Global Manager.

(b) Size and composition

20. In line with the arrangements for the 2005 round, the Technical Advisory Group will have a core membership of about five to seven specialists, but it may also involve a network of individual experts in various topics. The involvement of these networks can be expanded or contracted, depending on demand. It is suggested to merge the Poverty Advisory Group and the Ring Advisory Group, used in the last round, with the Technical Advisory Group in the 2011 round. Members of the Technical Advisory Group will be appointed by the Executive Board for the duration of the round or for a more limited period where appropriate. The Executive Board will also appoint one of the members of the Technical Advisory Group as chair of the Group; this position may be rotated from time to time. The Group will hold both physical and virtual meetings depending on demand and the workload.

7. International Comparison Programme Global Office

21. The World Bank Development Data Group hosted the Global Office for the 2005 round, bearing a significant financial and operational responsibility. Based on the Statistical Commission's request, an official correspondence was sent to the World Bank senior management. The response has been positive stating the World Bank's willingness to continue to host the Global Office for the 2011 round. However, the World Bank management also noted the need for mobilizing the required resources as soon as possible and before the start of the 2011 round.

(a) Role and location

22. The activities of the Global Office will be financed mainly from the World Bank's internal budget and the ICP Global Trust Fund, which is being established at the World Bank, as was done for the last round. It will be managed following World Bank administrative and fiduciary rules and regulations and will report, through the ICP Global Manager, to the Director of the Development Data Group. On matters related to the execution and implementation of the ICP mission, its policy, programmes, priorities, and standards, the Global Manager acts within the directives

provided by the Executive Board and within the framework of the work programmes and budgets approved by the Board.

23. Under the direction of the ICP Global Manager, the Global Office will carry out the day-to-day work required to implement the Programme at the international level. Its functions will include:

- Overall coordination and implementation of the Programme
- Preparing memorandums of understanding between regional coordinators and the Global Office
- Updating the ICP Handbook on the operational and technical aspects of the Programme
- Preparing annual budgets and work programmes
- Providing secretariat functions to the Executive Board
- Developing ICP standards to be promulgated by the Executive Board
- Liaison with and technical backstopping for the regional implementing agencies
- Networking and coordination with the Technical Advisory Group and other agencies such as Eurostat and OECD
- Preparing and distributing quarterly progress reports to the Executive Board
- Drafting of the annual report from the Executive Board to the Statistical Commission
- Financial management, accounting and reporting
- Preparing and implementing policies and procedures for data sharing between countries, regions and the Global Office during the data validation stages and after publication for researcher access
- Recommending standards that national and regional data must satisfy to be included in the global report
- Liaison with regions and the Technical Advisory Group about methodology and making a final decision where there are choices
- Linking regional results to produce global results
- Determining when global data are final and ready for publication and seeking Executive Board approval.

(b) Size, composition and working arrangements

24. The Global Office will include:

- The Global Manager
- Two or three professionals, well versed in quantitative analysis and methods; each responsible for coordination, technical guidance, and analytical support with respect to the regions
- One or two research and/or programme assistants

- Consultants developing methodologies and providing input to other tasks as needed.

25. The Global Office will also rely on expertise of others in the Development Data Group as was done for the 2005 round in specific areas such as the review of national accounts, systems development, database and web management, publication, financial management, etc. It is also proposed that appropriate partnering arrangements will be put in place with one or two national statistical agencies from the start of the round to strengthen the technical capacity of the Global Office in areas such as national accounts.

(c) Recruitment and appointment

26. A subcommittee of the Interim Executive Board will provide input to the selection of the Global Manager by the host agency. Other staff assigned to the 2011 Global Office will be recruited as new staff or from the existing teams, in line with host agency procedures and appointments. Constitution of the Global Office and appointments of staff and consultants will be completed after the 2011 Global Manager is in place. In line with the recommendations of the Friends of the Chair, efforts will be made to identify staff with the appropriate skills and experience who can be made available from other agencies through some kind of secondment arrangement.

(d) Reporting and accountability

27. The Global Office will be accountable to the Executive Board and through the Board to the Statistical Commission. The Global Office will prepare quarterly progress reports, as well as a draft of the annual report from the Executive Board to the Statistical Commission. As far as the Global Office is concerned, all human resource management, operational, and financial procedures will follow the rules of the host agency. Expenditure will be accounted for according to host agency rules and procedures, and all accounts will be subject to a regular independent audit.

8. Regional implementing agencies

(a) Overview of regional arrangements

28. For the 2011 round, the Programme will continue to be organized on a regional basis and the regional arrangements will remain largely the same as previously with some changes.¹ In each of six regions covering Africa, Asia and the Pacific, the Commonwealth of Independent States (CIS), Latin America and the Caribbean, and Western Asia, regional implementing agencies will take responsibility for the programme, will coordinate activities and will liaise with participating countries.²

¹ For example, the Latin American region will be extended to cover Central American countries as well as the Caribbean Islands and may be split into two groups: (i) South America and (ii) Central America and the Caribbean.

² It is anticipated that regional implementing agencies will be much the same as for the 2005 round, although this has not yet been confirmed in all cases. In 2005 regional implementing agencies were as follows: for Africa, the African Development Bank; for Latin America and the Caribbean, the Economic Commission for Latin America and the Caribbean and Statistics Canada; for Asia, the Asian Development Bank; for Western Asia, the Economic and Social Commission for Western Asia; and for the CIS, the Statistical Committee of the Commonwealth of Independent States and Federal State Statistics Service of the Russian Federation.

For the start of the 2011 round, the Executive Board will approach regional coordinating agencies and obtain a full commitment from them for continuing or assuming this role. Once that has been done, the regional implementing agencies will need to share information about the regional ICP offices with appropriate staffing and other resources to implement and monitor the programme at the regional level. The regional implementing agencies will need to coordinate the preparation of Memorandums of Understanding with countries with the Global Office to ensure consistency across regions with issues such as data sharing. Implementing agencies will be encouraged to set up regional advisory boards to provide a mechanism for involving participating countries, fostering a process of ownership of both the Programme and its results, and maintaining information flows in both directions. In the absence of strong managerial and technical expertise in implementing agencies, countries from within or outside the region can provide managerial and technical assistance to these agencies.

(b) Relationship with the Global International Comparison Programme

29. The Global Office will prepare a formal memorandum of understanding to be signed with each regional implementing agency. This will set out the roles and responsibilities of each party and will identify what the regional implementing agency agrees to do. In particular, the memorandum of understanding will require the regional implementing agency to set up an ICP office, to recruit participating countries, and to conduct the Programme in line with technical guidelines established by the Executive Board and the Global Office. It will also establish reporting procedures.

(c) International Comparison Programme regional offices

30. The ICP regional offices will continue to play a key role in implementing the 2011 round at the regional level. Their responsibilities will be similar, but not identical, to the ICP Global Office. In particular, each ICP Regional Office, under the direction of the Regional Coordinator and in consultation with the Regional Advisory Board, will:

- Maintain a close relationship with the ICP Global Office including regular and extensive sharing of information
- Design and implement regional programmes, database management and standards, guidelines, and procedures as agreed with the ICP Global Office
- Coordinate the efforts of the participating countries in the region through the dissemination of information, training, and promotion of ICP standards and guidelines, including the use of specialized ICP software
- Strike a workable compromise with national participants on the list of items (goods and services) to be priced and expenditure weights to be supplied
- Ensure that all national participants share the same understanding about how prices for comparable and representative items ought to be collected, the circumstances of collection, the outlets from which the prices must be obtained, the standards of recording and documentation, and the overall timetable for the Programme

- Ensure countries have a good understanding of the data-sharing requirements with the regional and global coordinators
- Provide technical guidance and effective leadership to participating countries to settle questions, doubts, ambiguities and inconsistencies, where necessary obtaining advice from the Technical Advisory Group through the ICP Global Manager
- Monitor implementation of the Programme in order to signal, if necessary, possible delays, budgetary overshoots, or major technical flaws and take preventive or remedial action if required
- Carry out the aggregation of national results to calculate PPP indices and subsequently to apply them to gross domestic product (GDP) expenditure breakdowns for calculating volume measures
- Provide an analytical underpinning for the regional results
- Prepare and submit quarterly progress reports and comprehensive annual reports in consultation with the Regional Advisory Board, to the Executive Board through the ICP Global Office
- Keep appropriate financial and administrative records and provide regular progress and financial reports.

(d) Regional advisory boards

31. As in the 2005 round, the regional implementing agencies are expected to set up advisory boards to involve participating countries in the International Comparison Programme, to promote the flow of information, to disseminate the PPP results, and to promote their use. The exact membership of each board and its functions will be determined by the implementing agencies, but it is expected that the advisory boards will carry out the following tasks:

- Provide a forum for participating countries to be involved in the regional project
- Provide a mechanism for the two-way flow of information between the region and implementing countries
- Provide a forum for the training of national personnel and for sharing information and expertise.

9. National implementing agencies

32. As in the 2005 round, for each ICP participating country, there will be one national implementing agency (for example, the body in charge of national accounts and/or price compilation, or the national statistical agency). This agency will appoint a national ICP Coordinator who will take responsibility for the successful implementation of the Programme in that country. The tasks of the coordinator will include:

- Ensuring the correct estimation of the national components of the Programme. These include the statistics of prices (including poverty-specific measures), GDP expenditure weights, and compensation of employees as scheduled and within the assigned resources

- Ensuring that there is a full understanding on the part of the staff assigned to the Programme of the objectives and standards of the programme and how those objectives affect the collection of the necessary data
- Maintaining contact with the Regional ICP Office and the Regional Coordinator and other participating countries, either directly or through the Regional Advisory Board, on matters concerning the consistency and the understanding of regionally agreed targets and methods
- Ensuring that data collection is carried out according to agreed specifications and classifications, time intervals, geographical scope, and outlets
- Accounting for all funds received from the Regional ICP Office and maintaining proper administrative and financial records
- Making sure that the Regional ICP Office is kept aware of those cases where there is limited compliance with either representativity or comparability in the goods and services selected and priced
- Submitting to the ICP Regional Office the data collected after suitable checking for validity, as well as submitting the appropriate documentation in the agreed form and at the right time.

33. Each national implementing agency will sign a memorandum of understanding with the ICP Regional Office, which will set out a list of entitlements and obligations. The contents of these memorandums of understanding should be agreed by the Executive Board. Separate arrangements may be required to manage the transfer and disbursement of funds.

10. Relationship with International Comparison Programme activities in OECD and European Union countries

34. International comparison activities in the European Union and the OECD countries will continue and will be managed by Eurostat and OECD. As in the 2005 round, it is anticipated that the data from the ICP will be merged with that generated by the Eurostat/OECD data-collection activities to produce a single agreed global database. To achieve this, there will be need for close collaboration between the global International Comparison Programme and the programme in Europe and OECD on technical and other matters. This will be achieved by regular consultation between the International Comparison Programme Global Office and Eurostat and OECD. Moreover, senior managers from Eurostat and OECD will be members of the International Comparison Programme Executive Board, and representatives from Eurostat and OECD will be members of the Technical Advisory Group. In addition, Eurostat and OECD will provide technical assistance to the International Comparison Programme in the CIS countries, if the need arises. The 2005 round memorandum of understanding between the Global Office and Eurostat and OECD will be reviewed and enhanced for the 2011 round with the expectation that these offices will work even closer than was done previously and exchange technical expertise.

III. Work programme for the 2011 round

35. It is proposed that the work programme will be established under seven headings as set out below.

A. Putting the governance structure in place

36. As recommended by the Statistical Commission, an ICP Interim Executive Board was formed following the thirty-ninth session of the Commission, held in February 2008. The Interim Executive Board has been chaired by the Convenor of the Friends of Chair group. The membership of the Interim Executive Board includes interested members of the FOC group as well as interested members of the 2005 Executive Board. The Interim Executive Board met in June and October 2008 to review the preparation arrangements for the 2011 round and provide input for the governance of the 2011 round. A subcommittee of the Interim Executive Board, with its membership selected at the June 2008 meeting, has been handling operational matters including providing inputs to the selection of the Global Manager by the host agency.

37. The proposed components of the governance structure for the 2011 round have been outlined earlier in the present paper. The immediate requirements are to put the different elements in place in a structured manner so that the work programme leading up to a coordinated data-collection programme in 2011 can proceed. It is anticipated that it may take up to 12 months for all the main governance components to be in place. By the end of December 2009, it is expected that the following will have been completed:

- The Executive Board will have been appointed, a chairperson will have been identified and the Board will have had at least two meetings
- The regional implementing agencies will have been identified and regional offices established
- The Technical Advisory Group will have been put in place with a core membership of five to seven people and the chairperson will have been identified
- Memorandums of understanding will have been prepared and signed by the United Nations Statistics Division and the World Bank and between the Global Office and the regional implementing agencies.

B. Establishing the Global Office

38. The proposed structure of the Global Office is outlined in paragraphs 24 and 25 above. It will be important to have some flexibility so as to take advantage of arrangements where staff with the appropriate experience and technical expertise can be seconded from other agencies from time to time. The aim of the work programme is to ensure that the Office is established and fully functioning as soon as possible. In particular, by the end of December 2009, it is anticipated that the following will have been accomplished:

- The Global Manager will have been appointed

- The staffing structure of the Global Office will have been reviewed by the Executive Board and most staff will have been appointed
- The first work programme will have been prepared and approved by the Executive Board
- The reporting system will have been agreed and be in place with quarterly and annual reports prepared and disseminated
- Partnership arrangements will have been finalized and agreements/memorandums of understanding signed with partners organizations.

C. Remaining activities under the 2005 round

39. There are still some activities to be completed to wrap up the 2005 round and to ensure a smooth handover to the new Global Office when it is established. These will be completed by the Development Data Group and include:

- Providing support to data users
- Updating and documenting databases, including metadata
- Preparation and dissemination of some specialized reports
- The ICP website and Bulletin will be continued and will be one of the main ways of disseminating information on preparations for the 2011 round.

D. Advocacy and outreach to data users

40. The Friends of the Chair evaluation recommended that there should be more active interaction with data users in the 2011 round, including the establishment of a formal User's Advisory Group. The Interim Executive Board discussed this proposal, and decided that the outreach forum should be recognized as a process in the 2011 round, rather than a formal body. It will be important to expand outreach activities and to persuade both current and potential users of the data of the importance of and need for the next round of the Programme. The Executive Board will take the lead and provide direction and oversight, but all components of the governance structure will have an important role to play in promoting the Programme and its products. By the end of December 2009, it is anticipated that the following will have been achieved:

- An outreach strategy and action plan will have been prepared by the Global Office and will have been agreed with the Executive Board
- Plans will have been prepared for a first users' conference to be held in 2010
- A website for the 2011 round will have been established and some initial advocacy material will have been prepared and disseminated
- Discussions will have been held with all regional implementing agencies on the development of outreach and advocacy strategies for each region.

E. Financing the 2011 round

41. The basic financing model used for the 2005 round will be used in 2011, that is, that the costs of the programme are shared by the different stakeholders. For the 2011 round it is anticipated, as previously, that funds will be required both to implement the Programme and to support capacity-building in statistically less developed countries and regions. Important lessons from the 2005 round are that costs should not be underestimated, that all parts of the Programme need to be involved in fund-raising and that the process of identifying and securing both financial and technical support should start as soon as possible. In addition to the financing sources used in 2005, it will also be important to identify non-traditional sources of finance. In order to do this, the Global Office will need to have regular access to specialist fund-raising expertise. It is anticipated that the following will have been achieved by the end of December 2009:

- Financing needs of the 2011 Programme will have been identified
- A fund-raising strategy will have been prepared and approved by the Executive Board
- The Global Trust Fund will have been established and initial funds will have been raised
- Discussions will have taken place with the regional implementing agencies to identify financing needs and to prepare fund-raising strategies.

F. Establishing regional offices

42. As set out in paragraph 30 above, regional offices will play a crucial role in the 2011 round in the same way as previously. By the end of December 2009, it is expected that the following will have been achieved:

- All the regional implementing agencies will have been established
- Memorandums of understanding will have been signed with the Global Office
- Regional offices will have been established
- Regional work programmes will have been prepared and agreed
- At least two regional coordinators' meetings will have been held
- Consultations with countries expected to participate in the 2011 round will have been initiated, with a plan to extend ICP coverage to more countries, in particular Pacific, Caribbean and Central American countries.

G. Addressing technical issues

43. The Technical Advisory Group will be the main mechanism for addressing technical issues and concerns with the 2011 round. At the recommendation of the Interim Executive Board, in the interim period between the 2005 and 2011 rounds, an Interim Technical Advisory Group was formed with the same members as the 2005 Technical Advisory Group. This body is developing a research agenda to address the technical and research priorities for the 2011 round, including the

method to link the regions. The work of the 2011 Technical Advisory Group will build on and continue from the very successful research and development that took place in the 2005 round and this research agenda formulated by the Interim Technical Advisory Group. It is expected that many of the 2005 Technical Advisory Group members will continue to be involved. By the end of December 2009, it is expected that the following will have been done:

- The Technical Advisory Group will have been re-established and the Chair appointed
- A technical agenda and work programme will have been agreed with the Global Office and the Executive Board
- Research and technical development will have begun.

IV. Conclusions

44. The present paper sets out a series of proposals for developing and strengthening the governance structure of the 2011 round of the International Comparison Programme, based on the success of the 2005 round and taking into account recommendations made by the Friends of the Chair evaluation. It also proposes a work programme with actions required in seven key areas. It has been reviewed and approved by the Interim Executive Board.

V. Points for discussion

45. **The Commission is requested to:**

- (a) **Review, discuss, and provide its input on:**
 - (i) **The proposed governance structure;**
 - (ii) **The work programme for 2009;**
 - (iii) **Advocacy and outreach to data users and other stakeholders;**
- (b) **Note the progress taken to prepare for the 2011 round and comment on any other areas leading to its successful implementation.**

Annex I

Statistical Commission decision 39/103 on the International Comparison Programme^a

The Statistical Commission:

(a) Welcomed the successful completion of the 2005 round of the International Comparison Programme, covering 146 countries, as a major achievement and took note of the release schedule of the results;

(b) Expressed appreciation to the World Bank, the Global Office of the International Comparison Programme, the Executive Board, the Technical Advisory Group, the regional coordinators, participating countries and various Programme partners providing technical and funding support to bring the 2005 round to conclusion;

(c) Took note of the comprehensive report of the Friends of the Chair on the evaluation of the 2005 round^b and supported its conclusions and recommendations, and, in particular:

(i) Strongly endorsed the continuation of the International Comparison Programme with a target year 2011 for the next round to keep the momentum of the 2005 round in terms of the accumulated experience and enhanced capacity at the country level, and to link the programme more effectively with the Organization for Economic Cooperation and Development/Eurostat programme;

(ii) Supported the ambition to cover the full gross domestic product in the comparison to contribute to national accounts development in the countries involved;

(iii) Requested the World Bank to continue hosting the Global Office of the International Comparison Programme and acknowledged the outstanding role played by the World Bank in that complex undertaking;

(iv) Encouraged regional coordinating offices to maintain their International Comparison Programme coordination roles for the next round;

(d) Endorsed the establishment of an interim executive board comprising members of the current Executive Board and the convenor of the Friends of the Chair group and interested members of the Friends of the Chair group. A subcommittee of the interim board, with terms of reference endorsed by the Bureau of the Statistical Commission, should handle operational matters critical for the start of the next round, including the hiring of the next Global Manager, fund-raising strategy, organizing feedback from users, addressing lessons learned from the 2005 round and undertaking pilot studies for conducting methodological studies;

(e) Looked forward to the discussion at its fortieth session of the full modalities for the implementation of the next round, and requested the World Bank to prepare a strategic paper including:

^a See *Official Records of the Economic and Social Council, 2008, Supplement No. 4, (E/2008/24)*, chap. I.B.

^b E/CN.3/2008/4.

- (i) A plan to extend International Comparison Programme coverage to more countries, in particular Pacific, Caribbean and Central American countries;
- (ii) Clarification of data access and data-sharing policies;
- (iii) Proposals to engage key stakeholders and senior user communities of participating countries to generate support and ensure higher priority for participation in the International Comparison Programme;
- (iv) Proposals to build sustained technical cooperation programmes not only in price statistics but also in national accounts, in order to prepare for implementation of the International Comparison Programme;
- (v) Proposals on how to integrate the International Comparison Programme into national statistical programmes;
- (vi) An outline of a plan to work with key national and international users of the International Comparison Programme, both current and potential, to encourage use of the results;
- (f) Took note of the concern that 2011, as the proposed benchmark year for the next round, might present difficulties in several countries since the year overlapped with conducting population censuses, and therefore requested that the International Comparison Programme organizers consider a suitable strategy to deal with the matter;
- (g) Encouraged the partners in the International Comparison Programme to continue their capacity-building efforts in developing countries to increase the quality of the data available for the next round.

Annex II

Organizational representation and membership in the ICP 2005 round governance structure

<i>Country/organization</i>	<i>Executive Board</i>	<i>Regional Coordinator</i>	<i>Technical Advisory Group</i>
Australian Bureau of Statistics	Chair	Provides technical assistance to Asia-Pacific region	Yes
United Kingdom Office for National Statistics	Yes	Coordinates Ring programme for Eurostat-OECD/provides technical assistance to Africa region	
Federal State Statistics Service of the Russian Federation	Yes	Yes, coordinates CIS regions with the CIS statistics office and Bureau of Economic Analysis	
Statistics Canada	Yes	Yes, coordinates LAC region with ECLAC	
National Bureau of Statistics — China	Yes		
Ministry of Statistics — India	Yes		
Uganda NSO — now Africa Economic Commission for Africa	Yes — same person		
Statistical Office of the European Communities (Eurostat)	Yes	Yes, coordinates Eurostat area	Yes
Organization for Economic Cooperation and Development (OECD)	Yes	Yes, coordinates OECD area	Yes
International Monetary Fund	Yes		Yes
United Nations Statistics Division	Yes		
Asian Development Bank	Yes	Yes, coordinates Asia-Pacific region	
African Development Bank	Yes	Yes, coordinates Africa region	
Economic Commission for Latin America and the Caribbean	Yes	Yes, coordinates LAC region with Statistics Canada	
Economic and Social Commission for Western Asia	Yes	Yes, coordinates Western Asia region	
World Bank	Yes	Global coordination	Yes

<i>Country/organization</i>	<i>Executive Board</i>	<i>Regional Coordinator</i>	<i>Technical Advisory Group</i>
ENSEA — Africa ^a	Member		
Inter-American Development Bank ^a	Member		
Academia			Yes — 4 people
International experts			Yes — 1 person

^a Limited participation.

Abbreviations: CIS, Commonwealth of Independent States; ENSEA, Institute of Applied Statistics and Economics; LAC, Latin America and the Caribbean; NSO, national statistical office.
