



Major Change in Scope and Amount

Project Number: 36633
Technical Assistance Number: 6088
December 2005

RETA 6088: Strengthening and Collection of Purchasing Power Parity Data in Selected Developing Member Countries

1. In September 2001, the World Bank invited the Asian Development Bank (ADB) to lead in implementing the 2005 Round of the International Comparison Program in the Asian and Pacific Region. With the President's approval of the regional technical assistance (RETA): Strengthening and Collection of Purchasing Power Parity (PPP) Data in Selected Developing Member Countries (DMCs), in the amount of \$1.2 million under ADB's funding program, ADB agreed to support this global initiative and lead the implementation and coordination of the program in the region. Since then, ADB has approved additional supplementary grants—\$0.45 million from the Japan Special Fund and \$0.80 million from the Poverty Reduction Cooperation Fund—the latter to support the RETA's poverty component.

2. The RETA aims to strengthen and build sustainable capabilities of national statistical organizations of participating DMCs in data collection needed to compile PPP-based comparisons for GDP expenditures, continuously contribute to a regional and national structure for implementing the International Comparison Program and use PPP data for national policy making and planning. PPP-based measures are critical indicators for monitoring relative social and economic well-being of countries and progress made toward the Millennium Development Goals, specifically the first, relating to poverty.

3. Twenty DMCs are participating in the program: Bangladesh; Bhutan; Cambodia; People's Republic of China; Fiji Islands; Hong Kong, China; India; Indonesia; Lao People's Democratic Republic; Malaysia; Maldives; Mongolia; Nepal; Pakistan; Philippines; Singapore; Sri Lanka; Taipei, China; Thailand; and Viet Nam.

4. Since the RETA's initial implementation, its scope and activities have been expanded to include (i) computation of PPP-based poverty measures, (ii) ToolPack software training and implementation, (iii) conduct of data review workshops, and (iv) ring list price surveys. Supplementary funding is required to finance additional activities because of the RETA's expanded scope.

5. The \$670,000 increase in TA budget required for this change in TA scope will be financed on a grant basis by ADB's TA funding program.
6. The Board is notified of this major change in scope and the related increase in TA budget by \$670,000 financed on a grant basis from ADB's TA funding program. After this increase in TA budget, the total TA budget amounts to \$3,120,000.