



I. Administrative Set-Up

The Department of Economics Statistics under the Lao Statistics Bureau (LSB), Ministry of Planning and Investment, implemented the 2021 ICP activities. The director general of the department chaired the ICP national team, which comprised national coordinators and technical staff from the Sector and Price Statistics Division, National Accounts Division, Cabinet of the LSB, and the technical statistics of the provinces.

II. Use of Existing Infrastructure in Collecting International Comparison Program Data

Previously, the LSB implemented ICP data collection for household products and services along with monthly consumer price index (CPI) data collection. There were 203 products aligned with the ICP product list, and the rest were collected for ICP purposes from the same selected samples in the CPI. Additional products were priced from the markets to cover other items in the ICP based on the indicated product types and specifications. The same data collection team of enumerators and field supervisors from the CPI collected data for the ICP. The team used paper-and-pencil interviews to collect the data and hand out the questionnaires. The data collection was implemented after the questionnaire was designed and the enumerators were trained. The number of enumerators used in the data collection depended on the size of the samples in each province. Usually, at least two enumerators are trained for this activity, one main and the other a substitute. The same editing process and computer system were used for the ICP and the CPI.

The LSB plans to improve the basket's list and/or items for the next round of CPI data collection in 2025 based on the 7th Lao Consumption and Expenditure Survey (LECS7). The LSB will assess how much the product list in the basket aligns with the ICP.

III. Survey Framework

The household price survey covered 22 markets in 17 provinces, all urban areas. The prices of important items were collected monthly as part of the regular CPI price collection, while the collection of less important items was done in the third and fourth quarters of 2021 and conducted at least twice in each market. Household consumption items were priced from 1,106 outlets. Price data collection for housing rental, machinery and equipment, and construction was conducted in the capital city only, as recommended and agreed in the Lao PDR context. Compensation data for government occupations and other related indicators were collected from administrative documents from the Ministry of Finance and the Ministry of Home Affairs.

IV. Gross Domestic Product Expenditure Values

The gross domestic product (GDP) by expenditure at current prices was revised for 2017, estimated for 2018–2021, and compiled for the ICP. For ICP purposes, GDP expenditure values were compiled for most of the 155 basic headings according to the 2021 ICP classification, covering about 127 basic headings, with 27 basic headings not estimated. Some detailed information on basic headings was extrapolated from the benchmark year 2012.

Basic headings data were not available for the Lao PDR in specific categories, such as narcotics, prostitution, animal-drawn vehicles, and outpatient services (including dental and paramedical services).

The impact of the coronavirus disease (COVID-19) pandemic on GDP estimation especially affected accommodation services, transport services, health, communication services, and other related sectors.



V. Data Validation and Quality Control

The LSB ICP team implemented a process like the 2017 ICP round to ensure data quality. Before data collection, CPI supervisors and data collectors in the districts and provincial offices were trained to be familiar with the structured product descriptions (SPDs) and data validation techniques. The LSB ICP team also visited each province to supervise and follow up with the enumerators during fieldwork. After collecting the data, prices were manually verified by the price collectors and supervisors before submission to the LSB. The LSB ICP team then performed data cleaning and editing, addressing any data issues with the enumerators for further verification or proper conversion of units, as needed. The ICP Asia Pacific Software Suite (ICP APSS) was used for data validation and analysis as discussed during the regional workshops. The cleaned data was submitted to the Asian Development Bank (ADB) for intereconomy validation.

VI. International Comparison Program Price Collection Tools

Data entry errors and other issues were observed during the installation of the ICP APSS, but these were quickly fixed by patches sent by ADB to the LSB. The LSB ICP team gained useful experience with the ICP APSS, particularly with the user-friendly price analysis tool. Data can be conveniently exported to Microsoft Excel for checking and validation and imported back to ICP APSS to update the database. The system allowed the database to be updated by uploading multiple Microsoft Excel files.

The LSB ICP team recommends improving the software by allowing data entry by multiple users connected via a network. Additionally, it would be ideal if the ICP APSS could be downloaded onto tablets to facilitate further mobile data collection and provide easy access to the SPDs translated into a local language.

VII. Challenges in the International Comparison Program Implementation

The LSB ICP team encountered several challenges in the data collection and validation process during the 2021 ICP cycle due to coronavirus disease (COVID-19) pandemic and most price collection was undertaken in the extended period of 2022. After the training in 2022, the team could not monitor the data collection at the field survey as usual, leading to inconsistencies in some products and groups. Thus, data validation required longer review and revision.

At the provincial level, data entry errors and inconsistencies in quantity and price were identified, necessitating prolonged data checking and cleaning for validation. From 23 March to 1 April 2023, a meeting was held to discuss cleaning and revising household data. Significant data quality issues were found, particularly with quantity and supplementary units. These inconsistencies were evident when compared to the 2017 data from other Mekong economies. ADB teams regular online support and mission to Vientiane to provide training for data validation were very helpful in improving the data quality and addressing data quality.

ICP products were often unavailable in many provinces and mostly available only in the capital city for household consumption. When available, items often did not precisely match the SPDs and required appropriate quality adjustments. Limited staff capacity led to increased workload along with their regular responsibilities.

The biggest challenge for construction and machinery and equipment was the limited staff available to work with the database and perform analysis. Official approval to use the database was delayed because the authorized rights were under another department. Despite this, the available staff did their best to manage the database, particularly regarding time management and regular duties. Staff continuously coordinated with the concerned department to gain official access to the database.



The budget for the field survey was delayed beyond the scheduled survey period, resulting in the delayed data submission.

Changes related to the COVID-19 pandemic impacted several areas of the 2021 ICP implementation compared to the 2017 ICP. Despite these constraints, the LSB tried to continue the ICP. Due to the pandemic, data collection was extended to 2022, with backcasting applied to 2021. The pandemic also severely affected human resources, as enumerators and team members were infected, impacting several surveys and census work.

The first COVID-19 pandemic in the Lao PDR began in March 2020, broadly affecting the economy. The government ordered the temporary closure of most business activities to limit infections and required employees to work from home. Thus, face-to-face data collection could not be implemented. The LSB ICP team conducted online interviews with the business and private sectors to ensure data availability. After the pandemic improved, the team collected additional data missing from the online interviews.

VIII. Lessons Learned and Future Directions

The ICP project implementation improved the knowledge and skills of the staff at the headquarters and the provincial and district offices, particularly the national coordinators and the LSB ICP team. They participated in regional, national, and online workshops, improving their data validation methods and techniques. Additionally, these platforms provided opportunities to learn from and exchange experiences with other participating economies. The price collection tools proved very useful and effective in validating the data collected from across provinces, analyzing results, and comparing with other economies. A technical team should be established to manage the volume of ICP work. Regional training—especially for machinery and equipment and construction, and new techniques provided by the experts—was helpful to better understand product specifications and price validation.

To ensure data quality and accuracy, the LSB ICP team plans to improve the CPI basket to align it with the ICP. If possible, the products and services of both CPI and ICP will be standardized.

The LSB could improve the data validation techniques and skills that apply to other statistical work through regional or national workshops and training, including exchanging work experiences with other economies. The LSB would like to seek ADB's continuous support in technical capacity building, particularly data validation, backcasting techniques, PPP calculation and estimation, and other relevant statistical activities.

The LSB has not planned for subnational PPP development because of limited data and inadequate human resources. The LSB is interested in a pilot work on subnational PPP development in 2027 if ADB support is available.

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Annex 2: List of Members of Core International Comparison Program Team (Lao Statistics Bureau)

Name	Title	Responsibility
Salika CHANTHALAVONG	Deputy Director General, Department of Economic Statistics	National Coordinator
Khammerng BANNALATH	Deputy Director General, Department of Economic Statistics	National Coordinator (replaced Salika CHANTHALAVONG)
Saykham SISOMBATH	Director of the Sector and Price Statistics Division	Deputy National Coordinator
Somchay DOUANDY	Deputy Director of the National Accounts Division	GDP Expenditure
Ngonemany PHANTHAVONG	Technical Official, Sector and Price Statistics Division	Household Consumption
Kok PHOMMACHAN	Technical Official, Sector and Price Statistics Division	Household Consumption
Sengsavang SAYYABOUTH	Technical Official, Sector and Price Statistics Division	Household Consumption
Kingnalong SAYSANITH	Technical Official, National Accounts Division	Housing Rental and Housing Volume
Dethsoulin SYBORIBOUN	Technical Official, National Accounts Division	Machinery and Equipment, and Construction
Nittaya PHIATHEP	Technical Official, National Accounts Division	Government Compensation