

**Attachment to PR No.: _____
Provincial Product Accounts Primer**

Note: Provided image is sample only; Actual layout will be provided by the end-user to the supplier

1. WHAT IS GROSS DOMESTIC PRODUCT (GDP)?

Gross Domestic Product or GDP is a comprehensive measure of economic activity. It measures the value of all final goods and services produced within the economy in a given period of time.

2. WHY THE NEED FOR MEASURE OF ECONOMIC PERFORMANCE?

We need economic data for an evidence-based decision making towards welfare improvement.

- Decisions relating to job creation and management.
- Decisions relating to income generation and consumption spending.
- Decisions on investment levels and private savings and other policy decisions.

3. WHAT ARE THE AVAILABLE GDP DATA?

The GDP data are available in the national and subnational level.

- Annual and Quarterly Philippine GDP by Expenditure base
- Annual and Quarterly GDP by Income
- Annual and Quarterly GDP by Industry
- Annual and Quarterly GDP by Expenditure type
- Annual and Quarterly GDP by Region

4. THE ROLE OF PSA IN ECONOMIC ACCOUNTING

The Philippine Statistics Authority (PSA) which was established through Republic Act No. 9492 or the Philippine Statistical Act of 2012, is tasked, among others, to compile and maintain macroeconomic accounts and indicators at the national and subnational level.

The PSA through the Macroeconomic Accounts Service regularly releases the quarterly and annual national accounts, annual regional accounts, and other economic accounts.

5. RECENT MILESTONES IN PHILIPPINE SYSTEM OF NATIONAL ACCOUNTS

- Overall Revision and Rebasement of the National Accounts
- Overall Revision and Rebasement of the Regional Accounts
- Overall Revision and Rebasement of the Income and Outlay Accounts

- Highlighted emerging industries
- Adoption of 2008 SNA reconstructions
- Use of most recent data
- Enhancement of methodology and processes

PSA Board Resolution No. 04, Series of 2021, Expanding Coverage of Services, Trade, Government Units and Private Sectors by Providing Data Support in the Generation of Provincial Product Accounts

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Understanding the PROVINCIAL PRODUCT ACCOUNTS

1. WHAT IS PROVINCIAL PRODUCT ACCOUNTS (PPA)?

The Provincial Product Accounts (PPA) is a subnational or regional version of the Gross Domestic Product (GDP) using production approach and other economic accounts at the subnational level.

2. WHAT CAN YOU DO WITH PPA RESULTS?

GDP at the provincial level answers:

- How fast is the province or region growing?
- How does my province compare with other provinces?
- Which industries are growing? Which are slowing?

3. WHAT ARE THE KEY CONSIDERATIONS IN THE COMPILATION OF PPA?

- PPA to adjust the production approach to derive GDP
- PPA to cover the 10 major industries
- Base Year 2018 will be adopted (aligned with the national and regional accounts)
- 2018 as benchmark year to estimate succeeding recent years

4. WHAT ARE THE DATA NEEDED?

Estimates and surveys

- Comps of Philippine Business and Industry (CPIBI)
- Family Income and Expenditure Survey (FIES)
- Annual Survey of Philippine Business and Industry (ASPIBI)
- Comps of Agriculture and Fisheries (CAF)
- System of Land Use and Information (SLUI)
- Labour Force Survey (LFS)
- Yearly Income (YI), BPS, NPS, and CDP

Administrative Data

- National and Regional Local Agencies
- Local Government Units
- Private Institutions
- Academe

5. HOW IS PROVINCIAL GDP MEASURED?

The provincial GDP is measured following the same framework as the internationally recognized System of National Accounts and in the regional and national compilation of GDP. Following the production approach, where:

- GDP = Sum of Gross Value Added (GVA) of all industries
- GVA = Gross Output less Intermediate Consumption

6. WHAT ARE THE INDUSTRIES COVERED?

Major industries (10) are highlighted:

- Agriculture, forestry and fishing
- Mining and quarrying
- Manufacturing
- Electricity, steam, water, and waste management
- Construction
- Wholesale and retail trade, repair of motor vehicles and motorcycles
- Transportation and storage
- Accommodation and food service activities
- Information and communication
- Financial and insurance activities
- Real estate and ownership of dwellings
- Professional and business services
- Public administration and defense, compulsory social activities
- Education
- Human health and social work activities
- Other services

4. WHAT DOES IT TAKE TO HAVE A PPA?

The institutionalization of the PPA entails the sustainable support from various stakeholders in the provision of data, coordination and strengthening the coordination mechanism among the Regional Statistical Committees, Provincial Statistical Committees, data producers and compilers.

5. ROADMAP OF THE PPA

- 2018: National Statistical Commission (NSC) - National Statistical Office (NSO) - National Statistical Office (NSO) - National Statistical Office (NSO)
- 2019: NSC - NSO - NSO - NSO
- 2020: NSC - NSO - NSO - NSO
- 2021: NSC - NSO - NSO - NSO
- 2022: NSC - NSO - NSO - NSO
- 2023: NSC - NSO - NSO - NSO
- 2024: NSC - NSO - NSO - NSO
- 2025: NSC - NSO - NSO - NSO

Annual updating call Request

VISION

By 2025, the PPA will be institutionalized in all provinces and highly urbanized cities of the 17 regions in the Philippines