

Philippines - International Comparison Program 2005

National Statistics Office,

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Overview

Identification

ID NUMBER

PHL-NSO-ICP2005-V1.1

Version

VERSION DESCRIPTION

v1.1: Edited data, first version, for internal use only by National Statistics Office and Asian Development Bank, the regional executing agency for the International Comparison Program (ICP) for Asia and the Pacific.

PRODUCTION DATE

2007-07

Overview

ABSTRACT

The 2005 International Comparison Program (ICP) is a worldwide project which will enable economists to compare the average wealth of all the 150 participating countries. The purpose of the ICP is to compare internationally national account aggregates expressed in national currencies by converting them to a standard currency such as the US dollar at Purchasing Power Parity (PPP) rates instead of exchange rates. By using PPP as conversion factors, the resulting comparisons of Gross Domestic Product (GDP) volumes enable us to measure the relative social and economic well-being of countries, monitor the incidence of poverty and progress made towards the Millennium Development Goals and target programs effectively, and assist international markets by identifying the relative productivity and investment potential of different countries. The ICP has the following objectives:

1. Establish a system of comparing GDP and its components based on purchasing power of currencies in domestic markets.
2. Establish methods and network of surveys to estimate PPP.
3. Build capacity so work becomes routine and sustainable.

Initial planning for ICP Asia Pacific was carried out in December 2002 with the stewardship of Asian Development Bank (ADB). The work on the first stage (developing the product lists) started in late March 2003. The 23 economies that participated in the ICP Asia Pacific Comparison - including 21 ADB member-economies account for over half of the world's population and about a quarter of global GDP. The 21 member-economies were: Bangladesh; Bhutan; Brunei Darussalam; Cambodia; People's Republic of China; Fiji Islands; HongKong, China; India; Indonesia; Lao People's Democratic Republic; Malaysia; Maldives; Mongolia; Nepal; Pakistan; Philippines; Singapore; Sri Lanka; Taipei China; Thailand; and Viet Nam. At their request, the Islamic Republic of Iran and Macao, China also took part. The 2005 ICP Asia Pacific covers the following product lists: household final consumption expenditure products, general government services, health, education, construction, equipment and dwelling rents.

This study only covers the 2005 ICP for household final consumption expenditure products except health and education for Philippines. The price survey for these products was conducted in 2005 for four quarters. The survey involved two phases of operations:

1. Mapping of the sample outlets.
2. Actual collection of prices of commodities.

The mapping of the sample outlets is done only once for the entire duration of the price survey. Thus, the sample outlets used in the collection of prices in the first survey round are the same sample outlets utilized in the succeeding survey rounds.

KIND OF DATA

Sample survey data [ssd]

UNITS OF ANALYSIS

Establishment (retail outlet)

Scope

NOTES

The 2005 International Comparison Program (ICP) collects prices of items included in the ICP product lists. The product lists for the 2005 ICP Asia Pacific include household final consumption expenditure products, general government services, health, education, construction, equipment and dwelling rents.

This study only covers the 2005 ICP for household final consumption expenditure products except health and education for Philippines. The price survey for these products was conducted in 2005 for four quarters. Price surveys for other items included in the 2005 ICP Asia Pacific product lists for Philippines were conducted in the succeeding years.

TOPICS

Topic	Vocabulary	URI
economic conditions and indicators [1.2]	CESSDA	http://www.nesstar.org/rdf/common

Coverage

GEOGRAPHIC COVERAGE

The geographic coverage for the 2005 International Comparison Program price survey is at the national level where same products were priced throughout the country. Price surveys were done in 17 regions of the country specifically in provinces considered as regional centers.

UNIVERSE

Retail outlets where the commodities/services are purchased/availed of by the households.

The following are the type of retail outlets:

1. Sari-sari store outside the public/private market
2. Sari-sari store inside the public/private market
3. Grocery store/supermarket
4. Department store
5. Others like stalls, permanent talipapa, etc.

Producers and Sponsors

PRIMARY INVESTIGATOR(S)

Name	Affiliation
National Statistics Office	National Economic and Development Authority

FUNDING

Name	Abbreviation	Role
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Asian Development Bank	ADB	Financial and technical
National Statistics Office	NSO	Financial and technical

Metadata Production

METADATA PRODUCED BY

Name	Abbreviation	Affiliation	Role
Dulce Joy Z. Sorino	DZS	NSO-ITSD-EIID	Documenter
Rosie B. Sta. Ana	RBSA	NSO-ITSD-EIID	Reviewer
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DATE OF METADATA PRODUCTION

2009-08-09

DDI DOCUMENT VERSION

Version 1.1 - January 2010. This version is identical to version 1.0, except for the section on Datasets which was updated.

Version 1.0 - August 2009

DDI DOCUMENT ID

DDI-PHL-NSO-ICP-2005-v1

Sampling

Sampling Procedure

The purposive sampling method was used in the selection of sample province/area where prices of items for the ICP will be collected. Thus, for National Capital Region (NCR), the sixteen (16) sample areas used in the collection of prices for the Consumer Price Index (CPI) were also considered as sample areas for ICP. For Areas Outside the National Capital Region (AONCR), the regional center/provincial capital of the region is used as the domain. The corresponding sample areas/provincial capital in each region are listed below:

NCR

NCR 1 - Blumentritt, Divisoria, Paco, Quiapo, Sampaloc

NCR 2 - Quezon City

NCR 3 - Mandaluyong, Pasig

NCR 4 - Caloocan, Malabon, Navotas, Valenzuela

NCR 5 - Makati

NCR 6 - Pasay, Parañaque, Muntinlupa

AONCR

Region Province/Regional Center

CAR Benguet

Region 1 La Union

Region 2 Cagayan

Region 3 Pampanga

CALABARZON Batangas

MIMAROPA Oriental Mindoro

Region 5 Albay

Region 6 Iloilo

Region 7 Cebu

Region 8 Leyte

Region 9 Zamboanga del Sur

Region 10 Misamis Oriental

Region 11 Davao del Sur

Region 12 South Cotabato

Caraga Agusan del Norte

ARMM Maguindanao

To ensure that price data reflects those paid by consumers in both the rural and urban areas, the National Statistics Office selected price outlets located in rural barangays before the start of the price survey. These rural barangays were taken from the list based on the latest census of population results and confirmation from the field offices were solicited to ensure the correctness of the classification. Urban areas and their corresponding outlets used as samples in the CPI were also utilized. However, additional municipalities/outlets were selected to expand the coverage of the ICP price surveys.

The provincial capital and the four (4) sample municipalities used for the CPI price survey comprised the sample areas of the region. To get better price estimates for each item, each sample municipality is subdivided further into urban and rural barangays. Since majority of the barangays in the country are considered rural, four (4) sample rural barangays are required in each of the four (4) CPI sample municipalities. The sample rural barangay should have many if not all of the different types of retail outlets such as public markets, grocery/supermarket, variety or sari-sari store, talipapa and permanent stalls. Each sample province is required to get a maximum of 114 sample outlets/price quotations for each of the commodities listed in the ICP price survey forms. Furthermore, each of the commodities listed should have at least two price quotations collected for each of the five (5) types of sample outlets in the provincial capital and in each of the sample municipalities.

The total sample size is 5,436 retail outlets for all regions. Details are shown below:

Region Urban Rural Total

CAR 200 57 251
 Region 1 279 40 319
 Region 2 189 69 258
 Region 3 348 9 357
 CALABARZON 466 78 544
 MIMAROPA 257 40 297
 Region 5 123 62 185
 Region 6 252 48 300
 Region 7 47 11 58
 Region 8 170 24 194
 Region 9 29 69 98
 Region 10 243 25 268
 Region 11 190 176 366
 Region ARMM 136 9 145
 Region 12 269 90 359
 CARAGA 196 45 241
 NCR 1 133 n/a 133
 NCR 2 200 n/a 200
 NCR 3 293 n/a 293
 NCR 4 105 n/a 105
 NCR 5 64 n/a 64
 NCR 6 395 n/a 395

TOTAL 4,584 852 5,436

The sample outlets for the ICP were selected based on the following guidelines:

1. CPI sample outlets were utilized for urban areas.
2. The following criteria were used in the selection of sample outlets for rural areas:

2.1 Popularity of an establishment along the line of goods to be priced - this means that the sample outlet is publicly noted in the locality for selling goods included in the ICP survey forms and the outlet is patronized by the large segment of the population.

2.2 Consistency and completeness of stock

Consistency of stock - the outlet has a constant, steady or regular stock of commodities listed in the ICP survey forms as well as of those commodities of the same kind and belonging to the same commodity

Completeness of stock- the sample outlet carries in its stock many if not all of the items included in the ICP survey forms relative to the other outlets in the area

2.3 Permanency of outlet - the outlet to be chosen should be an established store or stall in the market area. It should not be an ambulant or transient vendor

2.4. Geographic location - the outlet should be in a convenient place and is accessible to the majority if not all consumers in the area

Weighting

Not applicable

Questionnaires

Overview

The 2005 International Comparison Program (ICP) price survey used three types of survey forms:

1. ICP Form 1 A - Provincial Capital

This form was used in the collection of prices of ICP commodities in outlets located in the sample provincial capital of the region

2. ICP Form 1B - City/Municipality

This form was used in the collection of prices of ICP commodities in outlets located in the sample city/municipality of the region

3. ICP Form 1C - Barangay

This form was used in the collection of prices of ICP commodities in outlets located in the sample barangay within the sample city/municipality of the region.

Each survey form contains the following general information: reference period of the survey, geographic location of the sample outlet including the name and address of the outlet, type of outlet, urbanity of outlet and the name of price collector. It also consist of four columns: ICP code, product name and specification, price and remarks portion. The three price survey forms only differs based on the location of the sample outlet.

The 2005 ICP collects prices of items included in the ICP product list . The ICP product list consists of same representative products in one's country and in other countries. That is, the ICP product list and the number of items to be priced are all the same everywhere. The product list is fixed until such period when a new annual price survey round will be undertaken for the ICP.

The identification of products along with their specifications (price-determining characteristics) was a crucial step in the development of ICP product list. In a diverse region like Asia and the Pacific, it was necessary to consider the whole range of products that were commonly used in all participating economies. Two competing considerations were paramount. The first was that the product selected should be sufficiently well specified so that prices collected in different countries for a given product become comparable. Strictly, comparability would require narrow and complete specifications of the product. However, a narrowly specified product that can be priced in all the countries may also mean that the product in question may not be representative. This was the second consideration. A careful balance was struck between these two requirements. Once the products and their features were identified, these were recorded in the form of "structured product descriptions" (SPDs) developed by the Global Office specifically for the 2005 ICP round. Once the SPDs were clearly defined, product lists along with SPDs and sometimes with photographs of the items found in the product catalogue, were provided to ensure comparability of prices across participating economies.

The final list of 651 items to be priced for the 2005 ICP is the result of many discussions around the world. The following steps were done in deciding the item specifications to be included in the 2005 ICP price survey in the Philippines:

1. The 2000-based Consumer Price Index (CPI) market basket was used as a starting point to identify the item specifications that will represent each basic heading/commodity groups in the ICP. The specifications of the items in the CPI market basket found in many provinces were selected. For those basic headings where there were no corresponding items listed in the CPI market basket, an inquiry/verification in selected sample outlets in the National Capital Region (NCR) was made.

2. Each Structured Product Descriptions (SPDs) were classified either R, A, or N. R if the SPDs is a popular choice in the country and it accounts for a significant proportion of the expenditures within the basic heading. A if it is not representative but the country can price it and N if it is not available in the country.

3. Two workshops were conducted by the Asian Development Bank (ADB) to finalize and consolidate the SPDs of the 651 items.

4. All participating countries were requested to review their respective SPDs for each item for finalization.

Data Collection

Data Collection Dates

Start	End	Cycle
2005-01-01	2005-03-31	First Quarter Round
2005-04-01	2005-06-30	Second Quarter Round
2005-07-01	2005-09-30	Third Quarter Round
2005-10-01	2005-12-31	Fourth Quarter Round

Data Collection Mode

Face-to-face [f2f]

Data Collection Notes

To ensure that products of comparable quality are priced throughout the country, the National Statistics Office (NSO) prepared a price collection manual and a product catalogue. These were distributed and discussed to all those involved in ICP price surveys.

The NSO also decided on a national brand for some of the products especially for clothing items. While this may have probably led to the collection of a more expensive product, this was done to ensure that the same product was priced throughout the country.

For the more difficult items to be priced such as seafoods, the time for price collection was set as well as the suggested sizes/number of items per kilo so that the same quality of the products across the country is assured.

Prior to field price collection, series of trainings were conducted for central and field office staff. Regional and sample province statisticians were trained at the central office and this was followed by the training of price collectors at the provincial level. Training on the conduct of ICP price survey was conducted in two levels. The first level was the task force training, which involved selected staff from Economic Indices and Indicators Division (EIID) and Information and Research Department (IRD) of the NSO Central Office and regional and provincial statisticians from NSO's field offices. The training was allotted not only for the collection of prices for the first survey round but also mapping of sample outlets. Mapping of the sample outlets was an activity wherein the price collector visited each sample outlet in his/her area of assignment/s and identified the available commodities/services that were listed in the ICP survey forms. The mapping of the sample outlets was done only once for the entire duration of the ICP price survey. Thus, the sample outlets used in the collection of prices in the first survey round were the same sample outlets utilized in the succeeding survey rounds. The second level training was attended by the regional and provincial statisticians and price collectors from NSO's field offices. Regional and provincial statisticians who attended the task force training served as trainers in this training. During the training, special emphasis was given on the difference between CPI and ICP concepts where pricing of the same product is very crucial for ICP. The ICP price surveys covered four quarters of 2005.

Questionnaires

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4. All participating countries were requested to review their respective SPDs for each item for finalization.

Data Collectors

Name	Abbreviation	Affiliation
National Statistics Office	NSO	

Supervision

Supervision and spot checks were done by District Statistical Officers and Provincial Statistics Officers during the survey operation. Inconsistencies with previous quarter data were immediately verified in the field. On the average, there were four price collectors per supervisor.

Data Processing

Data Editing

All field offices involved in the ICP price survey used ICP Mapping of Outlets System (ICPMOS) program for data entry. After encoding, they were required to submit to the Central Office the encoded price data for each survey round. The submitted data files were then uploaded in the ICPMOS for consolidation. Validation procedures for manual and machine processing were prepared by the Central Office staff and their programmer counterparts. During the manual processing at the Central Office, outliers price quotations were excluded in the computation for average prices. These were price quotations that fall +/-15% from the mean of the price in the region/country. Price trends across the regions within a quarter, as well as across quarters, were scrutinized for outliers and re-investigated if these price variations were within reasonable bounds. The number of price observations were also generated to check whether the number of price quotations required by the ICP regional office were met.

Other Processing

Initially, the National Statistics Office (NSO) developed its own program called ICP Mapping of Outlets System (ICPMOS) for data entry and processing of 2005 International Comparison Program (ICP) price data. It was used for field encoding of 2005 ICP price data as Information Technology (IT) facilities in the regional and provincial offices were not suitable for the ICP ToolPack requirements. However, as all countries were requested to use ICP ToolPack to standardize data processing both at the country and regional levels, NSO developed a bridge program where the data collected and encoded could still be used in the Batch Upload Utility (BUU) function of the the ICP ToolPack.

The ICP ToolPack is a software modules that support product specification, ICP price survey set up, price data collection and validation, data processing and analysis. It is also a repository for large amounts of data for further research and analysis, used for internal data validation controls for ensuring good data quality and consistent and transparent methodology for computations and reporting, and supports multiple languages - Arabic, Chinese, English, French, Spanish. The three software modules are the Structured Product Description (SPD) system for product specification, Price Data Collection Module (PCM) and Price Administration and Analysis Module (PAM).

The ICPMOS was developed as a support module for ICP ToolPack in tabulating the following information: price collector, provincial capital, city/municipality and barangay outlet's name and address, and product availability/price in a given outlet.

The national average price for the whole year for each commodity is required in the ICP. Prices were sampled quarterly and the average prices of all the observations for each item were computed to get the annual average price. The simple average of prices in a region during each quarterly survey round was computed using the ICP Toolpack. The national average price was also computed as the simple average of the quarterly prices taken from all the regions. All tables submitted to the Asian Development Bank (ADB) were generated using the ICP Toolpack.

Data Appraisal

Estimates of Sampling Error

Not applicable

Other forms of Data Appraisal

The coefficient of variation was computed to assess the quality of the price data. Price data for items whose specifications are similar with the items in the regular Consumer Price Index were compared to assess the consistency of price trend/levels. Data review workshops were conducted by the Asian Development Bank to compare price data with other participating countries.