

## ***Explanatory Note***

# **2016 Commodity Flow in the Philippines**

## **Introduction**

The Philippines Statistics Authority (PSA) gathers information on the movement of commodity within the Philippines to enable policy-makers to monitor domestic trade.

Since 1968, the movement of commodities by port of origin and port of destination had been recorded. The system used for generation of statistics was the Integrated System for Coastwise Shipping Statistics (ISCSS) revised by heads of then former NSO, National Economic and Development Authority (NEDA), Bureau of Customs (BOC), Philippine Ports Authority (PPA), Maritime Industry Authority (MARINA) and Ministry of Public Works, Transportation and Communication (MPWTC).

On October 1, 1976, the NEDA, former NSO and Philippine Airlines (PAL) revise the air waybill (AWB). The project operationalized the collection and processing of data on commodities flowing through the air transport system starting September 1977.

To hasten the processing and generation of domestic trade statistics, the PSA has brought the manual and computerized processing technologies to its regional and provincial offices. For this purpose, the Information Systems Development Section, Information Resources Division, developed the Domestic Trade Statistics System (DomStat). The software was designed to facilitate processing of air trade, rail trade, and coastwise cargo trade and passenger administrative documents. The DomStat is actually an integration of four systems or subsystems that process the different types of documents. The duration of systems development was from October 1993 to January 1994 and in January 1995 with the DomStat version 2.0. It was started and implemented in the year 1995. On the same year, the maiden publication under the DomStat system was created and 1994 DomStat data files were used. With its carefully designed user interface, the DomStat ably facilitates the generation of domestic trade statistics until the present.

## **Coverage**

The domestic trade data contained in this report pertains to the flow of goods through airports and seaports in the country, whether for government or private use, or for commercial purposes. Trade in land was excluded because there was no approach/system to capture as such.

Coasting manifests were collected from major ports and other active seaports listed by the PPA all over the country. Fishing ports are excluded in the compilation of data. Goods transported by vessels of the Philippine Navy, fish and other marine

products landed direct from the sea *and service cargoes for consumption of the vessel are also included.*

The air waybills were collected from the Philippine Airlines (PAL) operated domestic airports.

The Daily Reports of Outgoing Shipments (DROS) for Rail was gathered from Philippine National Railway (PNR) stations in the country. However, starting 2006, DROS form PNR are no longer available.

## Sources of Data

The source document for coastwise trade statistics is the **Outward Coasting Manifests (Bureau of Customs Form No. 78)**, submitted by masters of vessels plying the inter-island ports to the collectors of PPA or their authorized representatives before the vessel leaves the port area. PSA personnel collect copies of these documents from the PPA designated collection points in the provinces.

Data source for airway trade is the **Air Waybill (AWB), (PAL Form No. F 0777A 00-11081 Rev. 08-96)** issued by PAL to every consignee. The acceptance and sales clerks of the airlines prepare an extra copy of every AWB issued and the corresponding sales report are collected by PSA field personnel.

The basic document used in generating the rail commodity flow statistics is the Daily Report of Outgoing Shipment (DROS), which is the summary of the daily cargoes transported through the PNR. PNR personnel from the express or freight shipping orders issued for the day copy the information contained in this form. These forms are accomplished by station agents and collected by PSA field personnel and submitted to the PSA field offices for processing.

## Data Items Gathered

The coasting cargo manifests contain information on port of origin, port of destination, area of occupancy, type of handling, description of commodity, weight, value, and freight charges.

On the other hand, the air waybill (AWB) contains the true destination of the commodity, true origin of the commodity, actual gross weight, declared value, equivalent volume weight, rate basis, rate class, description of commodity, station of origin, station of destination, issuing office, PAL charges, freight forwarder charges, and total freight charges.

Only actual gross weight, declared value, description of commodity, station of origin, station of destination, and total freight charges are variables included in the tabulation in the Domestic Trade Statistics.

## Commodity Classification

The commodity classification used in the compilation of the data is the **1993 Philippine Standard Commodity Classification (PSCC)** which is aligned with the United Nations Standard International Trade Classification (SITC) Rev. 2.

The classification is presented in five levels of details: section, division, group, subgroup and item. A unique code number identifies each commodity. The code number of each commodity is so designed that the first digit identifies the **section**; the first two digits, the **division**; the first three digits, the **group**; the first four digits, the **sub-group**; and the five digits, the **item**.

## Processing

Data processing is done both mechanically and manually.

Documents collected from the provincial sales offices, stations, and collection points are sorted by port or station and by month; recorded; bundled and numbered by type of document, by port or station and by month and undergo the following stages of processing in the field offices before transmittal to the PSA personnel concern:

Following Stages of Processing:

**Coding** is a process of assigning to an item of information a unique number to simplify capturing of information and facilitate further machine processing

**Code verification** is a process of checking the validity and correctness of the code for the information given in the source document

**Computation** is a process of determining the reasonableness of the value of the commodity of specific quantity and making the necessary corrections, in case of detection of errors.

## Geographic Classification

Domestic trade statistics are presented by geographic area. The 17 regions with the provincial composition are presented below:

<b><i>Region</i></b>	<b><i>Provincial Composition</i></b>
<b><i>National Capital Region (NCR)</i></b>	City of Manila, Quezon City, City of Mandaluyong, City of Marikina, City of Pasig, City of San Juan, Caloocan City, City of Malabon, City of Navotas, City of Valenzuela, City of Makati, Pateros, Taguig City, City of Las Piñas, City of Muntinlupa, City of Paranaque, & Pasay City
<b><i>Cordillera Administrative Region (CAR)</i></b>	Abra, Apayao, Benguet, Ifugao, Kalinga, & Mountain Province
<b><i>Region I (Ilocos Region)</i></b>	Ilocos Norte, Ilocos Sur, La Union, & Pangasinan
<b><i>Region II (Cagayan Valley)</i></b>	Batanes, Cagayan, Isabela, Nueva Vizcaya, & Quirino
<b><i>Region III (Central Luzon)</i></b>	Aurora, Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, & Zambales
<b><i>Region IV-A (CALABARZON)</i></b>	Batangas, Cavite, Laguna, Quezon, & Rizal
<b><i>Region IV-B (MIMAROPA)</i></b>	Marinduque, Occidental Mindoro, Oriental Mindoro, Palawan, & Romblon
<b><i>Region V (Bicol Region)</i></b>	Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate, & Sorsogon
<b><i>Region VI (Western Visayas)</i></b>	Aklan, Antique, Capiz, Guimaras, Iloilo, & Negros Occidental
<b><i>Region VII (Central Visayas)</i></b>	Bohol, Cebu, Negros Oriental, & Siquijor
<b><i>Region VIII (Eastern Visayas)</i></b>	Biliran, Eastern Samar, Leyte, Northern Samar, Southern Leyte, & Western Samar
<b><i>Region IX (Zamboanga Peninsula)</i></b>	City of Isabela, Zamboanga City, Zamboanga del Norte, and Zamboanga del Sur
<b><i>Region X (Northern Mindanao)</i></b>	Bukidnon, Camiguin, Lanao del Norte, Misamis Occidental, and Misamis Oriental
<b><i>Region XI (Davao Region)</i></b>	Compostela Valley, Davao del Norte, Davao del Sur, & Davao Oriental
<b><i>Region XII (SOCCSKSARGEN)</i></b>	Cotabato City, North Cotabato, Sarangani, South Cotabato, & Sultan Kudarat
<b><i>Region XIII (Caraga)</i></b>	Agusan del Norte, Agusan del Sur, Surigao del Norte, Dinagat Island, & Surigao del Sur
<b><i>Autonomous Region in Muslim Mindanao (ARMM)</i></b>	Basilan (except Isabela City), Lanao del Sur, Maguindanao (except Cotabato City), Sulu, & Tawi-Tawi.

## Other Available Data

Preliminary quarterly commodity flow are released in the form of special releases three (3) months after the reference quarter.

There are other unpublished statistical tables are available at the Trade Statistics Division, such as those requested by private and government entities both in the Philippines and abroad. They could be in printouts, CDs and thru emails depending in the needs of the researchers. Other special tabulations may also be made available upon request addressed to the National Statistician, Philippine Statistics Authority, CVEA Building, East Avenue, Quezon City.

## Limitations of the 2015 Commodity Flow in the Philippines Annual Publication:

DOMSTAT reports from the following provinces were not included in the statistical tables of this annual publication:

Province	Mode of Transport
a. Camarines Sur	Coastwise
b. Sulu	Coastwise

Note: No rail transaction from January to December 2015.