

## **Explanatory Note**

# **2020 Commodity Flow in the Philippines**

## **Introduction**

The Commodity Flow in the Philippines is a compilation of data on commodities carried through air and water transport systems in the country. It gathers information on the movement of commodities within the Philippines to enable policymakers to monitor domestic trade.

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 is excluded because of the absence of approach/system to capture such information. Since 2007, rail transport statistics are excluded due to the rehabilitation and upgrading of the Philippine National Railway (PNR).

Coasting manifests are collected from major ports and other active seaports listed by the Philippine Ports Authority (PPA) all over the country. On the other hand, air waybills are collected from all domestic airports operated by the Philippine Airlines (PAL) nationwide.

There are two kinds of domestic trade statistics in this report, namely:

- a. Air trade statistics which capture movement of commodities from one airport to another within the country through air transport system; and
- b. Coastwise trade and coastwise passenger statistics which capture the flow of commodities/passenger from one port to another within the country through water transport system.

Data on the inflow and outflow value of commodities in the different regions of the country are used to construct inter-regional and inter-industry relation tables. These serve as bases in the formulation and implementation of various regional development programs like countryside development and port planning.

## **Coverage**

The following are excluded in the compilation of domestic data: (1) fishing ports; (2) goods transported by vessels of the Philippine Navy; (3) fish and other marine products landed direct from the sea; (4) service cargoes for consumption by vessel crew; and (5) cadaver.

## **Sources of Data**

The source documents for coastwise trade statistics are the Outward Coasting Manifests and Coastwise Passenger Manifests for cargo and passenger, respectively. These forms are submitted by masters of vessels plying the inter-island ports to the collectors or authorized representatives of PPA before the vessel leaves the port area. The Philippine Statistics Authority (PSA) personnel collects copies of these documents from the PPA designated collection points in the provinces.

On the other hand, the source document for air trade statistics is the air waybill issued by PAL to every consignee. The acceptance and sales clerks of the airline prepare an extra copy of every air waybill issued and the corresponding sales report is collected by PSA field personnel.

## **Data Items**

The coasting cargo manifest contains 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 contains the station of destination of the commodity, station of origin of the commodity, actual gross weight, declared value, equivalent volume weight, rate basis, rate class, description of commodity, issuing office, PAL charges, freight forwarder charges, and total freight charges.

Only the actual gross weight, declared value, description of commodity, station of origin, station of destination, and total freight charges are included in the domestic trade statistics.

## **Commodity Classification**

The commodity classification used in the compilation of data is the 1993 Philippine Standard Commodity Classification (PSCC) Revision 2, which is aligned with the United Nations 1985 Standard International Trade Classification (SITC) Revision 3.

The classification is presented in four levels of details, namely: section, division, group, and item. A unique numeric code identifies each commodity. The first digit of the numeric code identifies the section; the first two digits, the division; the first three digits, the group; and the five digits, the item.

## **Processing**

Documents collected from the provincial sales offices, stations, and collection points of PPA are sorted by port or station and by month; recorded; bundled and numbered by type of document, by port or station and by month. After which, the documents undergo manual and machine processing to ensure that all documents are checked/verified as to completeness and accuracy of entries. Manual and machine processing done are the following:

### **1. Transcription/coding of entries**

This is done by transcribing the data items from the coasting manifest to processing sheet (PS) to facilitate data entry;

### **2. Verification of entries from source documents to PS**

This is done to check if all applicable data items from the source documents are transcribed completely and accurately to the PS;

### **3. Data encoding**

This is done by encoding all the data from the PS for coastwise and passenger documents. On the other hand, entries from the air waybills are directly encoded using the Domestic Trade Data Processing System (DT-DPS) Version 1.1; and

### **4. Validation of data**

This is to check if the derived price (value/quantity) for each commodity is appropriate for the region/province.

## **Geographic Classification**

In this publication, domestic trade statistics are classified by geographic area using the Philippine Standard Geographic Code (PSGC) as of 30 September 2019.

## **Other Available Data**

There are other unpublished statistical tables available at the Trade Statistics Division (TSD) of the Economic Sector Statistics Service (ESSS). These can be requested through a letter addressed to the Office of the National Statistician and Civil Registrar General (NSCRG) at the PSA Complex, East Avenue, Diliman, Quezon City.