FEATURES OF THE 2000 REBASED-REVISED PHILIPPINE SYSTEM OF NATIONAL ACCOUNTS

by

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Until the fourth quarter of 2010, the estimates of the various macroeconomic aggregates under the Philippine System of National Accounts (PSNA) will still be using 1985 as Base Year. As the official compiler of the PSNA, the National Statistical Coordination Board (NSCB) has long recognized the need to improve the PSNA by among others, updating the base year and migrating to the 1993 System of National Accounts (SNA). The NSCB started its efforts in this direction more than ten years ago.

One of the key recommendations in the 1993 SNA is the use of Chain Volume Measures (CVM) in lieu of constant price estimates. The use of CVMs, effectively makes it unnecessary to “update” the base year, because when CVMs are used, the base year is changed every year.

With the help of the Asian Development Bank (ADB), the Australian government and the Australian Bureau of Statistics, the NSCB conducted various activities to implement the 1993 SNA recommendations including the use of CVMs. During the conduct of these activities, it was realized that due to limitations of the price indexes compiled by the Philippine Statistical System (PSS), it was not time to shift to CVMs. The NSCB thus decided that its efforts in implementing some of the

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1993 SNA recommendations should not include the use of CVMs and instead be geared towards using a more updated year. In two regional conferences organized by the ADB and UN ESCAP in Bangkok in 2000 and in 2001, it was recommended that countries updating the base year of their national accounts use 2000/2005 as a common base year.

Despite the technical and financial assistance provided by the development partners to the PSS, due to manpower constraints faced by the NSCB as a result of the issuance of EO 366, the rebasing/revising of the PSNA with 2000 as base year will be completed only in May 2011.

This paper details the features of the 2000-based estimates of the PSNA versus the 1985-based estimates and thus highlights the history that has been “rewritten” as a result of the rebasing/revising process. It also presents the issues and concerns that have been addressed as well as those that still need to be addressed in future PSNA improvement activities and the way forward.

**KEY WORDS AND PHRASES:** Philippine System of National Accounts, base year, 1993 SNA, Chain Volume Measures, constant price estimates, rebasing, revising, 2000-based estimates, issues and concerns, way forward