

# TECHNICAL NOTES

## Provincial Value of Production in Agriculture and Fisheries

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### I. The Introduction

The value of production in agriculture and fisheries focuses on the measurement of the whole sector (i.e., agriculture and fisheries) and its commodity group (crops, livestock, poultry, and fisheries). The value of production is at constant 2018 prices and at current prices. These serve as input in the estimation of the Gross Value Added (GVA) in Agriculture and Fishing.

In response to a more granular data, Provincial Product Accounts (PPA) is being compiled. PPA for all the 14 provinces in the three pilot regions, namely: MIMAROPA Region, Central Visayas, and Northern Mindanao were released in 2021. For 2022, CAR, CALABARZON, Western Visayas, Eastern Visayas, Davao Region, and SOCCSKARGEN are the six (6) additional pilot regions of PPA. Meanwhile, seven (7) pilot regions: Ilocos Region, Cagayan Valley, Central Luzon, Bicol Region, Zamboanga Peninsula, BARMM, and Caraga will be the pilot regions for 2023.

As input in the estimation of PPA, specifically GVA in Agriculture and Fishing, Provincial Value of Production in Agriculture and Fisheries needs to be generated.

### II. Data Sources

The generation of the provincial value of production requires data on volume of production and farmgate prices. These data are sourced from the following PSA surveys and administrative-based records from other government agencies:

Variable	Source
1. Volume of Production by commodity	
a. Crops	Palay Production Survey (PPS)
	Corn Production Survey (CPS)
	Crops Production Survey (CrPS)
b. Livestock and Poultry by commodity	Backyard Livestock and Poultry Survey (BLPS)

## Provincial Value of Production in Agriculture and Fisheries

	Commercial Livestock and Poultry Survey (CLPS)
c. Fisheries	Quarterly Municipal Fisheries Survey (QMFS)
	Quarterly Inland Fisheries Survey (QIFS)
	Quarterly Commercial Fisheries Survey (QCFS)
	Quarterly Aquaculture Survey (QAqS)
2. Farmgate Prices	
a. Crops	Farm Prices Survey (FPS)
b. Livestock and Poultry	BLPS and CLPS
c. Fisheries	QMFS
	QIFS
	QCFS
	QAqS
3. Administrative Data	
a. Volume of Production of Centrifugal Sugar and Raw Sugar	Sugar Regulatory Administration (SRA)
b. Number of Slaughtered/Dressed Animals	National Meat Inspection Service (NMIS)
c. Number of Slaughtered/Dressed Animals	Local Government Units (LGUs)
d. Volume and Value of Commercial Fish Unloadings	Philippine Fisheries Development Authority (PFDA), Local Government Units (LGUs) and Privately Managed Landing Centers
e. Volume and Value of Municipal Fish Unloadings	Philippine Fisheries Development Authority (PFDA) and Local Government Units (LGUs)

### III. Methodology

The valuation of production in agriculture and fisheries by province is being prepared annually. It is done as follows:

#### **At Constant 2018 Prices**

Valuation at constant prices is done by multiplying the volume of production of each commodity by the 2018 average farmgate price.

Formula:

$$VP_o = Q_t \times FGP_o$$

Where:

$VP_o$  = Value of production at constant prices;

$Q_t$  = Volume of production for the current period; and

$FGP_o$  = Farmgate price at constant 2018 prices

### At Current Prices

Valuation at current prices is done by multiplying the volume of production of each commodity by the average farmgate price during the reference year.

Formula:

$$VP_t = Q_t \times FGP_t$$

Where:

$VP_t$  = Value of production at current prices;

$Q_t$  = Volume of production for the current period; and

$FGP_t$  = Farmgate price at current prices

## IV. Concepts and Definition of Terms

**Value of Production at Constant Prices** - refers to valuation of transactions, wherein the influence of price changes from the base year to the current year has been removed.

**Value of Production at Current Prices** - is the value based on prices during the reference year.