How do official statistics in the Philippines fare?

Jose Ramon G. Albert

Across the world, the public and private sectors produce statistics for their own purposes. In the private sector, some firms collect their own statistics for internal use or subcontract market research organizations to collect data and summarize them. Nongovernment organizations, such as Social Weather Stations and Pulse Asia, undertake sample surveys both for public and private interests (e.g., to monitor the approval ratings of government officials).

In the Philippines, the Philippine Statistics Authority (PSA) produces a substantial set of socioeconomic statistics, including the gross domestic product and other measures of economic performance, income poverty statistics, agricultural statistics, and labor and employment statistics. Other government agencies produce their own sectoral statistics. For example, the Philippine National Police generates statistics on (reported) crime, the Department of Education releases statistics on the performance of the basic education sector, and the Department of Health produces statistics on various communicable and noncommunicable diseases. The PSA and all other statistics producers in government are part of the Philippine Statistical System (PSS). Official (or government) statistics produced by the PSS are sourced either from primary data collections (such as censuses, sample surveys, administrative reporting systems) or compilations of secondary data. The PSS does not conduct its work in isolation. International standards on producing statistics are discussed and developed among governments and international bodies, especially in conjunction with the United Nations Statistics Division and other international compilers of data, to enable the generation of comparable statistics across countries.

The consolidation was intended to achieve economies of scale in order to improve the capacity of PSS to respond to new challenges brought about by a changing economic landscape and to respond to increasing demands for monitoring development plans.

This *Policy Note* discusses international and local assessments of official statistics in the country. It also provides suggestions on how to improve the enabling environment of the PSA and the country's statistical system.

The PSA and its organic act

The PSA is relatively new. Established by Republic Act (RA) 10625 or the Philippine Statistical Act of 2013, it consolidates the Bureau of Agricultural Statistics under the Department of Agriculture, the National Statistical Coordination Board (NSCB) and the National Statistics Office or NSO (attached agencies of the National Economic and Development Authority [NEDA]), and the Bureau of Labor and Employment Statistics under the Department of Labor and Employment. These agencies were consolidated following a 2007 recommendation of an expert committee that reviewed the PSS (Albert et al. 2008). The consolidation was intended to achieve economies of scale in order to improve the capacity of PSS to respond to new challenges brought about by a changing economic

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[1] http://datatopics.worldbank.org/statisticalcapacity/ (accessed on December 26, 2016)

landscape and to respond to increasing demands for monitoring development plans. The expert committee also recommended beefing up the Statistical Research and Training Center (SRTC) by converting it into the Philippine Statistical Research and Training Institute (PSRTI). The plan was to staff it with in-house research fellows similar to the organizational models of the Philippine Institute for Development Studies and the United Nations Statistical Institute for Asia and the Pacific. This recommendation was also contained in RA 10625. Three years have passed since RA 10625 was enacted and it is important to examine if there has been a change in the statistical capacity and enabling environment of the PSS.

World Bank assessment of statistical capacity of the PSS

The World Bank[1] generates a composite index that assesses the capacity of a country's national statistical system based on a framework comprising 25 variables on the following areas: methodology, data sources, and periodicity (and timeliness) of statistics. Twenty-five criteria in these three areas, using publicly available information and/or country inputs, are compiled to come up with an area score for the country. A simple average of all three area scores on a scale of 0–100 comprises the overall Statistical Capacity Indicator (SCI) score.
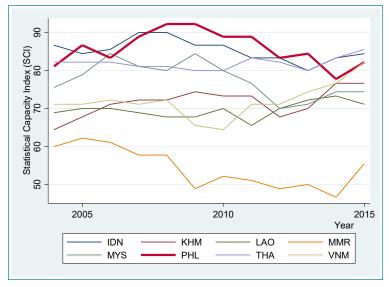
Figure 1 shows the trends in SCI scores in 2004–2015 for the Philippines and other Association of Southeast Asian Nations

(ASEAN) member-states (AMS), except for Singapore and Brunei Darussalam. Most international observers considered the Philippines' statistical system to be at a similar stage of development comparable to Indonesia and Malaysia (and Singapore). This stage is the highest. Thailand and Viet Nam (as well as Brunei Darussalam) trailed behind them while Cambodia, Lao PDR, and Myanmar were at the bottom for having the least developed statistical systems.

From 2004 to 2013, the Philippines was also leading the pack. By 2014, however, the SCI score of the Philippines substantially went down and the country lost to Indonesia and Thailand. In 2015, the SCI score of the Philippines improved but it was not sufficient to recover its premier ranking. Furthermore, Viet Nam (at 82.222237) outperformed the Philippines in third place (at 82.222198), although just barely.

Does this mean the consolidation of the four agencies did more harm than good to the PSS? Basing the answer on the 2014 SCI scores would not be enough as the huge decrease may be attributed to various reasons, including: (1) the lack of HIV statistics and declining scores for maternal health, primary education completion, and gender equality in education for the periodicity component; (2) the education statistics[2] not being reported to the United Nations Educational, Scientific and Cultural Organization starting in 2013, which resulted in a lower value for the methodology component; and the nonavailability of import

Figure 1. Statistical capacity index in ASEAN member-states, 2004–2015

Source: World Bank (http://datatopics.worldbank.org/statisticalcapacity/) (accessed on December 26, 2016)

and export price indices on a monthly and quarterly bases since 2010.

Nevertheless, the Philippines obtained a perfect score in the data source component for its regular conduct of agricultural census, health survey, population census, and poverty survey, and its good coverage in the civil registration system.

Other international assessments of Philippine statistics

The extent of access and the quality of statistics in the country may be discerned from its performance in meeting the Special

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[2] Most of these statistics are produced by the Department of Education and the Department of Health.

Data Dissemination Standard (SDDS)[3] of the International Monetary Fund (IMF). Based on the latest IMF 2015 annual evaluation[4] of the coverage, periodicity, and timeliness of macroeconomic data in compliance with the SDDS, the Philippines meets all of the SDDS specifications for timeliness of production and producer price indices. It should be noted, however, that IMF requirements and, hence, data quality assessments in the SDDS are biased toward national-level financial and economic sector statistics. These assessments are only marginally relevant to social (including health and education), environmental, and governance statistics.

Recently, the PSA made microdata for its surveys and censuses. These are available to the public for free in compliance with the Open Data Initiative to which the Philippines is a signatory. Open Data is a mechanism to improve data sharing with the public to nurture an environment that promotes

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[3] http://dsbb.imf.org/Pages/SDDS/Home.aspx (accessed on January 5, 2017)

[4] http://dsbb.imf.org/images/pdfs/AnnualReports/2015/PHL_SDDS_AR2015.pdf (accessed on January 5, 2017)

[5] http://odin.opendatawatch.com/ (accessed on February 2, 2017)

[6] The ODIN scores constitute an assessment of 10 elements of coverage and openness. Coverage is assessed based on the availability of key social, economic, and environmental indicators, and on whether data are disaggregated over time and by geographic subdivisions. Openness is measured in terms of whether the data can be downloaded in machine-readable and nonproprietary formats, can be selected by users, are accompanied by metadata, and are free to use and reuse. Scores on coverage and openness can also be generated for specific aggregate domains, such as economic and financial statistics, social statistics, and environmental statistics.

transparency and accountability. Previously, microdata especially of household surveys were being sold by the PSA, particularly by the then NSO, to data users at a reasonable cost. To see the extent of the coverage and openness of official statistics in the country compared to other countries, it is useful to consider the scores of the Philippines and other AMS in the Open Data Inventory (ODIN)[5] of Open Data Watch.[6] For 2016, the Philippines topped the overall ODIN score in Southeast Asia and ranked 63rd globally among 125 countries assessed (Table 1).

The Philippines obtained the highest score in the data category for economic statistics for coverage and the lowest score in environmental statistics for openness. Further disaggregation of the 20 data categories shows there is best coverage in balance of payments and national accounts statistics, and least coverage in pollution statistics. In terms of openness, the Philippines scored the highest on gender statistics and the lowest on pollution statistics.

National data users' assessment of the PSS

Additional issues and areas for improvements can be detected more systematically and regularly by in-country evaluations that are based on more frequent domestic use and analysis of data by data users than by international assessments. In a 2016 survey conducted by former NSCB Secretary General Romulo Virola, it was found that data users in the country have seen some improvements

in the PSS since the PSA was established, but they also opined that the improvements envisioned in RA 10625 have not been fully achieved (Virola 2016).

In terms of financial resources, while the PSA has a very good budget support for all its major surveys and censuses, Virola (2016) took note of the mediocre (less than 10%) increase in the budget of the PSA in 2016. Looking deeper, the near-inflation increases in PSA's nominal budgets could be a result of the weak absorptive capacity of the PSA to spend its budget during the transition period. Further, given the ever-increasing demand for more and better-quality statistics, coupled with the fact that PSA has only filled 68 percent of its plantilla positions as of late, there will be challenges not only in filling these positions but also in addressing institutional issues should the move to federalism gain more headway, and a

demand for federal statistics authorities arise. Switzerland and Germany are two examples with federal governments that have Federal Statistics Office and statistical offices in state governments, with complex arrangements about data collection, statistical standards, and other issues (UN 2003). Several skilled statisticians in the PSA have retired with extra benefits provided by RA 10625. Replacing these retirees is already challenging, and failure to do so will have dire consequences on the quality of work and outputs of the PSA, and on its standing in statistical production in the international community.

Ways forward

There are still many aspects of RA 10625 that have yet to be implemented by the PSA and other statistics producers to fully improve the quality of government statistics, particularly those for crime and drugs, out-of-school youth, and health and nutrition,

Table 1. Open Data Inventory (ODIN) scores of ASEAN member-states

ASEAN Member- State	Overall Rank	Overall ODIN Score	Coverage Score	Openness Score	Data Categories		
					Social Statistics	Economic and Financial Statistics	Environmental Statistics
Cambodia	157	21.6	23	20	33	15	17
Indonesia	84	38.5	49	31	31	48	37
Lao PDR	141	26.1	25	27	35	25	17
Malaysia	95	36.4	34	39	27	44	39
Myanmar	115	31.2	26	36	28	37	29
Philippines	63	43.5	49	38	47	49	35
Singapore	76	40.1	36	44	48	67	9
Thailand	91	37.1	36	38	41	40	30
Viet Nam	101	35.0	33	37	44	42	35

Source: Open Data Inventory, Open Data Watch (http://www.opendatawatch.com) (accessed on February 2, 2017)

among others. More and better statistics, e.g., time use, violence (from the perpetrator angle), as well as data disaggregations and statistics for rare populations (e.g., persons with disability, fishermen), will be required to monitor the Sustainable Development Goals. Further, the PSA must brace itself for the likely consequences of federalism if it were to be subdivided into federal statistics authorities to produce statistics for the federal states. Currently, the PSA has also yet to define the procedures to assess and justify demands for new statistics against their cost, even if RA 10625 mentions that the PSA Board should establish appropriate mechanisms to promote and maintain an efficient and effective statistical system, and the Philippine Statistical Development Program (PSDP) mentions using cost-effective technology or cost sharing among departments as a means to reduce overhead cost in statistics production (NSCB 2012).

There may also be scope for further revisions in RA 10625 to improve the country's statistical system. First, it is important to assess to what extent the country could further ensure the independence of statistics from political interference. In other AMS, the national statistical offices have an independent status and are merely functionally attached to either the Office of the President (Indonesia), the Office of the Prime Minister (Malaysia), or some department that has no vested interest in statistics, such as the Department of Information and Communications Technology (Thailand). When

Executive Order (EO) 121, series of 1987, that established the NSCB, NSO, and SRTC was first implemented, these agencies were directly under the Office of the President, but they were subsequently transferred to NEDA by virtue of EO 149, series of 1993. The Philippine Statistical Act puts the PSA under the NEDA but the law does not make explicit mention of separating statistical releases from political statements, nor are there currently any standards and guidelines on this. While the PSA defines an advance release calendar (ARC) for major economic statistics, there is no legal anchor for it and other statistics producers to publish and adhere to an ARC that can protect the integrity and independence of statistics.

Second, RA 10625 falls short of emphasizing equal access to data produced by the PSA and other statistics producers. Currently, however, the PSA is one of several agencies that has a Freedom of Information (FOI) manual under the government's executive order on FOI.

Third, there is concern that the technical committees are not meeting regularly. These committees have been a coordination tool of the statistical system and a mechanism for statistics producers to receive feedback from experts. Now, more than ever, the PSA and the entire PSS need help and technical advice on surveys and population projections, among others.

Fourth, there are implementation gaps in terms of building a strong PSRTI especially as

its human resources are still too few. While the PSDP advocates greater statistical capacity development through stronger institutions and a focus on technical, professional, and career development, the plan for methodological improvement is also described as "a wish list with no resources, no capacity, and no manpower" (PARIS21 2015, p. 4).

Fifth, the extent to which the PSA and PSRTI have access and make use of alternative data sources for generating statistics, such as big data (Albert 2014), has not been considered. With the growing demands for statistics for monitoring not only the Philippine Development Plan but also the country's progress in meeting its commitments to the 2030 Agenda for Sustainable Development, it is important for the PSA and the entire PSS to improve the quality of official statistics and the caliber of its human resources aside from having an improved legal framework and a proper institutional environment.

Statistics are about credibility and integrity. Government will need to continue investing in statistics, in statisticians, and in the statistical system to ensure that the official statistics of the country continue to be viewed well and will fare even much better than its current standing. 📑

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