



REPUBLIC OF THE PHILIPPINES
PHILIPPINE STATISTICS AUTHORITY BOARD

PSA Board Resolution No. 9
Series of 2023

**APPROVING AND ADOPTING THE RECLASSIFICATION OF
PHILIPPINE NATIONAL RAILWAYS AND NATIONAL IRRIGATION
ADMINISTRATION AS EXTRABUDGETARY UNITS UNDER THE
GENERAL GOVERNMENT SECTOR**

WHEREAS, the Interagency Committee on Monetary, Financial and Government Finance Statistics (IACMFGFS) was created on 25 January 2017 to serve as the recommending body to the Philippine Statistics Authority (PSA) Board on matters concerning the production, generation and dissemination of monetary, financial, and government finance statistics;

WHEREAS, during the IACMFGFS meetings, guidelines on the classification, sectorization, compilation and dissemination of statistics and reports pertaining to government corporations, including monitoring the adherence to international reporting requirements, such as the International Monetary Fund's (IMF) Special Data Dissemination Standard (SDDS), were discussed;

WHEREAS, among the statistical development programs outlined in the Philippine Statistical Development Program (PSDP) for 2018-2023 is the production, generation, and dissemination of comprehensive, timely, and accessible Government Finance Statistics (GFS);

WHEREAS, it is a standard practice to update macroeconomic data to reflect improvements in data coverage and compilation methodologies, and align these with the changing data needs of users as well as with the latest international standards and guidelines, i.e. IMF's 2014 GFS Manual;

WHEREAS, in 2018, the Department of Finance (DOF) conducted a study and evaluation of the sectoral classification of major Public Nonfinancial Corporations (PNFCs) and Public Financial Corporations (PFCs) using the guidelines and criteria provided by the IMF. This evaluation was part of the IMF Technical Assistance (TA) missions on GFS. The IMF TA missions provided support to the concerned government agencies on the compilation of government finance statistics;

WHEREAS, the DOF recommended to reclassify the Philippine National Railways (PNR) and the National Irrigation Administration (NIA) from PNFC to extrabudgetary units under the General Government Sector (GGS) as these corporations are heavily subsidized by the government, hence, they may be considered nonmarket producers;

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WHEREAS, the IMF provided seven (7) criteria to determine if a public corporation is a market or nonmarket producer. Consequently, if a public corporation is identified as a nonmarket producer based on these criteria, it may be classified as an extrabudgetary unit under the GGS (Annex BR-09-20230629-01);

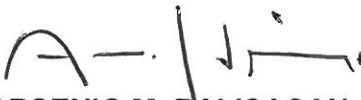
WHEREAS, it is recognized that the financial and operational performances of public corporations may change over time, which may warrant reclassification. Thus, the DOF proposed to conduct a review and evaluation of the sectorization of public corporations every five (5) years;

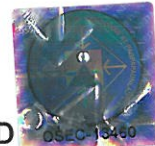
WHEREAS, after a series of technical discussions and thorough review, the IACMFGFS endorses the reclassification of PNR and NIA as extrabudgetary units under the GGS, and the periodic review of the financial and operational performances of all other PNFCs using the seven (7) criteria provided by the IMF to determine if a public corporation is an extrabudgetary unit of the GGS;

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board approves the reclassification of PNR and NIA from PNFC to extrabudgetary units under the GGS;

RESOLVED FURTHER, that the review of the financial and operational performances of the public corporations shall be conducted every five (5) years using the guidelines and criteria provided by the IMF (Annex BR-09-20230629-01). Any change or update on the sectorization of public corporations shall be assessed and endorsed by the DOF to IACMFGFS for PSA Board approval and adoption in the entire Philippine Statistical System.

Approved this 29th day of June 2023, in Metro Manila.


ARSENIO M. BALISACAN, PhD
Secretary
National Economic and Development Authority
Chairperson, PSA Board



Attested by:



CLAIRE DENNIS S. MAPA, PhD
Undersecretary
National Statistician and Civil Registrar General
Philippine Statistics Authority
Chairperson, PSA Board Secretariat