



2077-0687

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SFH.

Tiena:

June 1, 2023

HON. SALVADOR M. DEL CASTILLO

City Councilor

Naga City

Sir;

**GREETINGS!** 

Respectfully submitting herewith the Naga City District Abattoir 2023 Revised Slaughterhouse Fee Proposal and.

For your reference.

Thank you.

Respectfully

ROBERTO S. ACABADO NCDA Department Head I

Barangay Del Rosario waga Con www. Fga. 100, D 5

Facebook page: Naga C Abatto:
Email Address: NagaCityAbattoir08@

# NAGA CITY DISTRICT ABATTOIR NEW FEES PROPOSAL 2023

(Revised May 2023)

#### I. RATIONALE

The Naga City District Abattoir is an accredited "AA" category animal slaughtering service provider facility and a local economic enterprise (LEE) of the City Government. And comparing to other City Abattoir of same category in the province of Camarines Sur and Albay, its fees can be considered as one of the lowest despite of being the biggest abattoir facility in the Region and well equipped with modern machineries and equipment.

But having a modern, highly mechanized, environmental friendly and Good Manufacturing practices (GMP) compliant abattoir is disadvantageous to the profitability of the facility due to its high operational expenditures on Fuel, Electric, Water, maintenance of machineries and equipment.

And the only doable remedy to improve the profitability of the Department is to update its out of date fees considering that the current fees of the Naga City District Abattoir were last adjusted in Year 2014.

#### II. OBJECTIVE

To be able to improve the profitability of the Naga City District Abattoir as a Local Economic Enterprise facility by adjusting its out of date fees and be reasonably at par with prevailing fees of the industry in the region.

#### III. STRATEGY

- a. Recommend for an amendment of the current fees of NCDA.
- b. Include in the proposal the new services to be offered and its corresponding fee.
- c. The new fees must be implemented not later than 2<sup>nd</sup> semester of 2023.

#### IV. ADVANTAGES

- a. NCDA new fees will be at par with the prevailing industry rates.
- b. Improves the profitability of the facility

# NAGA CITY DISTRICT ABATTOIR NEW FEES (PROPOSED)

HOGS	PROPOSED NEW FEES
SLAUGHTER FEE/kilo	₱2.00
POST-MORTEM FEE/kilo	₱0.90
ANTE-MORTEM FEE/head	₱9.60
CORRAL FEE/head	₱6.00
PERMIT FEE/head	₱12.00
CARCASS SPLITTING FEE/head (new service/not applicable to litson)	₱20.00
SERVICE FEE	
50kg	₱66.00
51-60kg	₱90.96
61-90kg	₱108.72
91-120kg	₱144.48
121-150kg	₱162.00
151-180kg	₱192.00
181-210kg	₱210.00
211-240kg	₱234.00
241kg Above	₱264.00
LITSON (flat rate service fee/head)	₱100.00

CATTLE/CARABAO/HORSE	PROPOSED NEW FEES
SLAUGHTER FEE/kilo	₱2.00
POST-MORTEM FEE/kilo	₱0.90
ANTE-MORTEM FEE/head	₱14.40
CORRAL FEE/head	₹24.00
PERMIT FEE/head	₱12.00
SERVICE FEE/head	₱171.36
LIMMING FEE/head	₱18.00
CARCASS SPLITTING FEE/head (new service)	₱20.00
TRANSFER CERTIFICATE OF ANIMAL OWNERSHIP	₱110.00

GOAT/SHEEP/DEER	PROPOSED NEW FEES
SLAUGHTER FEE/kilo	₱2.00
POST-MORTEM FEE/kilo	₱0.90
ANTE-MORTEM FEE/head	₱9.60
CORRAL FEE/head	₱6.00
PERMIT FEE/head	₱12.00
SERVICE FEE/head (flat rate service fee/head)	₱100.00
CARCASS SPLITTING FEE/head (new service)	₱20.00

## CURRENT AND PROPOSED SLAUGHTER FEES COMPARISON

HOGS	CURRENT	PROPOSED	ADJUSTMENT in	
			Peso	%
Slaughter Fee/Kilo	₽ 1.00	₱2.00	₱1.00	100%
Post-Mortem Fee/Kilo	₽ 0.75	₱0.90	₱0.15	20%
Ante-Mortem Fee/Head	₽ 8.00	₱9.60	₱1.60	20%
Corral Fee/Head	₽ 5.00	₱6.00	₱1.00	20%
Permit Fee/Head	₽10.00	₱12.00	₱2.00	20%
Carcass Splitting Fee(excluding litson)	-	₱20.00	new	
Service Fee				
50kg	₽55.00	₱66.00	₱11.00	20%
51-60kg	₽75.80	₱90.96	₱15.16	20%
61-90kg	₽90.60	₱108.72	₱18.12	20%
91-120kg	₽120.40	₱144.48	₱24.08	20%
121-150kg	₽135.00	₱162.00	₱27.00	20%
151-180kg	₽160.00	₱192.00	₱32.00	20%
181-210kg	₽175.00	₱210.00	₱35.00	20%
211-240kg	₽195.00	₱234.00	₱39.00	20%
241kg Above	₽220.00	₱264.00	₱44.00	20%
LITSON (flat rate service fee/head)		₱100.00	new	-

CATTLE/CARABAO/HORSE	CURRENT	PROPOSED	ADJUSTMENT in	
			Peso	%
Slaughter Fee/kilo	₽1.00	₱2.00	₱1.00	100%
Post-Mortem Fee/kilo	₽0.75	₱0.90	₱0.15	20%
Ante-Mortem Fee/head	₽12.00	₱14.40	₱2.40	20%
Corral Fee/head	₽20.00	₱24.00	₱4.00	20%
Permit Fee/head	₽10.00	₱12.00	₱2.00	20%
Service Fee	₽142.80	₱171.36	₱28.56	20%
Limming Fee/head	₽15.00	₱18.00	₱3.00	20%
Carcass Splitting Fee/head	-	₱20.00	new	-
Transfer Certificate	₱110.00	₱110.00	-	-

GOAT/SHEEP/DEER	P/DEER CURRENT		ADJUSTMENT in	
			Peso	%
Slaughter Fee/kilo	₽1.00	₱2.00	₱1.00	100%
Post-Mortem Fee/kilo	₽0.75	₱0.90	₱0.15	20%
Ante-Mortem Fee/head	₽8.00	₱9.60	₱1.60	20%
Corral Fee/head	₽5.00	₱6.00	₱1.00	20%
Permit Fee/head	₽10.00	₱12.00	₱2.00	20%
Service Fee (flat rate service fee/head)	₽55.00	₱100.00	₱45.00	81.8%
Carcass Splitting Fee/head	-	₱20.00	new	-

## CURRENT AND PROPOSED FEES SAMPLE COMPUTATION

	@50	@50 kilos		@61kilos		@91kilos	
HOG	Current	Proposed	Current	Proposed	Current	Proposed	
	50.00	100.00	61.00	122.00	91.00	182.00	
Slaughter	37.50	45.00	45.75	54.90	68.25	81.90	
Post-M	8.00	9.60	8.00	9.60	8.00	9.60	
Ante-M	5.00	6.00	5.00	6.00	5.00	6.00	
Corral	10.00	12.00	10.00	12.00	10.00	12.00	
Permit	55.00	66.00	90.60	108.72	120.40	144.48	
Service	55.00	20.00	-	20.00	-	20.00	
Splitting	PACE EO	₱258.60	₱220.35	₱333.22	₱302.65	P455.98	
TOTAL FEES INCREASE PER KILO	₱165.50	₱93.10/50kg		₱112.87/61kg		P153.33/91kg	
INICREASE PER KILU	1 7100110						

	@10	@10 kilos		@20kilos		@30kilos	
LITSON	Current	Proposed	Current	Proposed	Current	Proposed	
	10.00	20.00	20.00	40.002	30.00	60.00	
Slaughter	7.50	9.00	15.00	18.00	22.50	27.00	
Post-M	8.00	9.60	8.00	9.60	8.00	9.60	
Ante-M		6.00	5.00	6.00	5.00	6.00	
Corral	5.00	12.00	10.00	12.00	10.00	12.00	
Permit	10.00		55.00	100.00	55.00	100.00	
Service	55.00	100.00	33.00	-	-	-	
Splitting	-	- DATE (0)	₱113.00	₱185.60	₱130.50	₱214.60	
TOTAL FEES	₱95.50	₱156.60	1130.00		₱2.80/kg or ₱84.10/30kg		
INCREASE PER KILO	₱6.11/kg or	₱61.10/10kg	P3.63/Kg of	P/2.00/20kg	F2.00/kg 01 1 04.10/30kg		

	@10	@100kilos		@120kilos		@140kilos	
COW/CARABAO/ HORSE	Current	Proposed	Current	Proposed	Current	Proposed	
	100.00	200.00	120.00	240.00	140.00	280.00	
Slaughter	75.00	90.00	90.00	108.00	105.00	126.00	
Post-M	12.00	14.40	12.00	14.40	12.00	14.40	
Ante-M	20.00	24.00	20.00	24.00	20.00	24.00	
Corral	10.00	12.00	10.00	12.00	10.00	12.00	
Permit	142.80	171.36	142.80	171.36	142.80	171.36	
Service Limming	15.00	18.00	15.00	18.00	15.00	18.00	
	-	20.00	-	20.00		20.00	
Splitting Transfer certificate	110.00	110.00	110.00	110.00	110.00	110.00	
	₽484.80	₱659.76	₽519.80	₽717.76	₽554.80	₽775.7	
TOTAL FEES INCREASE PER KILO		P174.96/100kg	₱1.64/kg or ₱197.96/120kg		₱1.578/kg or ₱220.96/140kg		

	@10	@10kilos		@15kilos		@20kilos	
GOAT/SHEEP/DEER	Current			Proposed	Current	Proposed	
		20.00	Current 15.00	30.00	20.00	40.00	
Slaughter	10.00			13.50	15.00	18.00	
Post-M	7.50	9.00	11.25		8.00	9.60	
Ante-M	8.00	9.60	8.00	9.60	5.00	6.00	
Corral	5.00	6.00	5.00	6.00		12.00	
Permit	10.00	12.00	10.00	12.00	10.00		
Service	55.00	100.00	55.00	100.00	55.00	100.00	
Splitting	_	20.00	-	20.00	-	20.00	
TOTAL FEES	₽95.50	₽176.60	₽104.25	₽191.10	₽113.00	₽189.60	
INCREASE PER KILO	₱8.11/kg or ₱81.10/10kg		₱5.79/kg or ₱86.85/15kg		₱10.28/kg or	₱205.60/20kg	

## **REGION V ABATTOIR FEES (AA category)**

HOG	NAGA CITY (Proposed new fees)	Ord. #14- 0016-2017 As of Sept. 18, 2017	IRIGACITY Ord. #2011- 05 As of August 1, 2011	LIGAO CITY Ord. #2014- 007 As of Feb. 13, 2014
Slaughter Fee	₱2.00/kilo	₱2.00/kilo	₱1.70/kilo	₱1.00/kilo
Ante-Mortem	₱9.60/head	₱10.00/head	₱5.00/head	₱40.00/head
Post Mortem	₱0.90/kilo	₱1.00/kilo	₱0.50/kilo	₱40.00/head
Corral	₱6.00/head	₱10.00/head	₱10.00/head	₱10.00/head
Permit Fee	₱12.00/head	-	-	₱15.00/head
Entrails Fee	-	-	₱14.00/head	-
Carcass Splitting Fee	₱20.00/head	-	-	-
Development Fund	-	₱5.00/head	-	-
Slaughterhouse Fee	-	₱1.50/kilo	₱0.50/kilo	₱40.00/head
Slaughter Permit			₱20.00/head	-
Shipping Permit	_	₱10.00/head	-	-
Delivery Fee	-	₱30.00/head	₱30.00/head	₱30.00/head
Service Fee		₱10.00/head	-	-
50kg	₱66.00			
51-60kg	₱90.96			
61-90kg	₱108.72			
91-120kg	₱144.48			
121-150kg	₱162.00			
151-180kg	₱192.00			
181-210kg	₱210.00			
211-240kg	₱234.00			
241kg-↑	₱264.00			
LITSON (flat rate per head)	₱100.00			

NOTE: LGU-Ligao can increase their City Abattoir fees by 10% every 3 years.

## **REGION V CATEGORY "AA" ABATTOIR FEES**

	NAGA CITY	LEGAZPI CITY	IRIGA CITY	LIGAO CITY
COW/CARABAO/HORSE	(Proposed new	Ord. #14-0016-	Ord. # 2011-	Ord. #2014-
	fees)	2017 as of	05 as of	007 as of
		Sept. 18, 2017	August 1,	Feb. 13, 2014
			2011	
Slaughter Fee	₱2.00/kilo	₱2.00/kilo	₱2.00/kilo	₽1.25/kilo
Ante-Mortem	₱14.40/head	₱20.00/head	₱10.00/head	₽50.00/head
Post Mortem	₱0.90/kilo	₱1.00/kilo	₱0.70/kilo	₽50.00/head
Corral	₱24.00/head	₱20.00/head	₱15.00/head	₽15.00/head
Permit	₱12.00/head	-	-	₽30.00/head
Service	₱171.36/head	₱20.00head	-	-
Limming	₱18.00/head	₱50.00/head	-	-
Carcass Splitting Fee/Head	₱20.00/head	-	-	-
Livestock Development	_	₱5.00/head	_	
Fund		1 5.00/11000		-
Slaughterhouse Fee	-	₱2.50/kilo	₱0.70/kilo	₱50.00/head
Slaughter Permit	-	2.00/kilo	₱40.00/head	-
Entrails Fee	-	-	₱30.00/head	-
Delivery Fee	-	₱50.00/head	₱40.00/head	₱50.00/head
Shipping Permit	-	-	-	-
Transfer Certificate	₱110.00/head	₱150/head	-	-

NOTE: LGU-Ligao can increase their City Abattoir fees by 10% every 3 years.

#### **SAMPLE COMPUTATION OF FEES**

Sample computation of fees for (1) HOG @ 61kilos carcass weight	NAGA CITY (Proposed new fees)	CITY (Current fees)	(Current fees)	LIGAO CITY (Current fees)
Slaughter	122.00	122.00	103.70	61.00
Post-Mortem	9.60	61.00	30.50	40.00
Ante Mortem	54.90	10.00	5.00	40.00
Corral	6.00	10.00	10.00	10.00
Permit	12.00	122.00	20.00	15.00
Service	108.72	10.00	7	-
Carcass Splitting Fee/Head	20.00	-	-	-
Slaughterhouse		- 10000000	30.50	40.00
Evisceration	H00) -		25.00	
Shipping Permit	-	10.00	-	- 11111919
TOTAL	₱333.22	₱335.00	₱224.70	₱206.00

	NAGA CITY	LEGAZPI CITY	IRIGA CITY	LIGAO CITY
Sample computation of fees for (1)	(Proposed	(Current	(Current	(Current
COW @ 100kilos carcass weight	new fees)	fees)	fees)	fees)
Slaughter	200.00	200.00	200.00	125.00
Ante-Mortem	14.40	20.00	10.00	50.00
Post Mortem	90.00	100.00	70.00	50.00
Corral	24,00	20.00	15,00	15.00
Permit	12.00	-	-	30.00
Service	171.36	20.00	-	
Limming	18.00	50.00	-	
Carcass Splitting Fee/Head	20.00		economi -	
Livestock Development fund	- 7 30,2	5.00	411-20-	
Slaughterhouse Fee		250.00	70.00	50.00
Slaughter Permit	-	200.00	40.00	
Entrails Fee	-	-	30.00	
Delivery Fee	-	50.00	40.00	50.00
Shipping Permit	de Til	-	-	
Transfer Certificate	110.00	150.00	-	
TOTAL	₱659.76	₱1,065.00	₱475.00	₱370.00

#### NCDA PER YEAR ELECTRIC AND WATER CONSUMPTION

		CASURECO II			MNWD	
YEAR	CONSUMPTION in KWH	AMOUNT IN PESOS	AVERAGE MONTHLY	CONSUMPTIO N in CU. Meter	AMOUNT IN PESOS	AVERAGE MONTHLY
2015	25,337.52	219,673.25	18,306.10	24,202.00	422,005.25	35,167.10
2016	39,441.08	283,434.62	23,619.55	20,306.00	422,477.32	35,206.44
2017	44,585.78	338,397.90	28,199.83	33,576.00	565,365.50	47,113.79
2018	125,522.22	1,115,331.30	92,944.28	36,163.00	618,717.07	51,559.76
2019	107,410.00	926,970.62	77,247.55	30,569.00	540,569.00	45,047.42
2020	89,763.00	708,474.48	59,039.54	23,718.65	511,653.91	42,637.83

#### NCDA DIESEL CONSUMPTION AND TOTAL OF ANIMALS SLAUGHTERED PER YEAR

	DI	ESEL	ANIMALS SLAUGHTERED in HEADS					
YEAR	CONSUMPTI ON in LITERS	AMOUNT IN PESOS	HOGS	cow	CARA	GOAT	SLAUGHTERED TOTAL	
2015			71,670	2,832	1,556	1,011	77,069	
2016			76,937	3,026	1,397	948	82,308	
2017			79,002	3,319	1,409	1,031	84,761	
2018			73,317	3,547	1,595	758	79,217	
2019	42,400	1,750,563.30	78,679	3,068	1,514	711	83,972	
2020	33,200	1,153,009.00	56,289	2,878	1,202	459	60,828	
2021	32,500	1,374,827.90	52,623	2,938	1,762	506	57,829	

#### FORMULA USED TO ARRIVE TO ESTIMATED COST OF SLAUGHTERING PER ANIMAL:

A. CONSUMPTION AVERAGE = 2019+2020 CONSUMPTIONS (CASURECO+MNWD+DIESEL)

2 YEARS

B. SLAUGHTERING AVERAGE = 2019+2020 (TOTAL HEADS SLAUGHTERED)
2 YEARS

C. ESTIMATED COST OF SLAUGHTERING PER ANIMAL = CONSUMPTION AVERAGE IN PESOS SLAUGHTERING AVERAGE IN HEADS

#### ILLUSTRATION:

A. CONSUMPTION AVERAGE IN PESOS PER YEAR

 $= ( \cancel{P}926,970.62 + \cancel{P}540,569.00 + \cancel{P}1,750,563.30) + (\cancel{P}708,474.48 + \cancel{P}511,653.91 + \cancel{P}1,153,009.00)$ 

2

= ₱3,218,102.90 + ₱2,373,137.30

2

= ₱5,591,240.20

2

= ₱2,795,620.10/Year

**B. SLAUGHTERING AVERAGE IN HEADS PER YEAR** 

$$= 83,972 + 60,828$$

2

= <u>144,800</u>

2

=72,400/Year

C. ESTIMATED COST OF SLAUGHTERING PER ANIMAL PER HEAD

= ₱2,795,620.10

72,400

= ₱38.61/HEAD

#### **IMPORTANT NOTE:**

Taking into consideration the effect of Covid-19, African swine fever, destructive typhoons and the incessant increase of fuel price in the Abattoir industry; average cost of fuel, electricity and water for years 2019 and 2020 were used as base year to compute the estimated cost of animal slaughtering per head for year 2021.

Salaries and wages of NCDA personnel, depreciation of machineries and equipment, inflation rate and consumer price index were not included in the computation.

Prepared by:

Fiorel M Zapata

Recommending approval:

ROBERTO G. ACABADO CGDH-I

## BASIS FOR THE NEW FEES PROPOSAL OF NAGA CITY DISTRICT ABATTOIR

- 1. The Sangguniang Panlungsod last approval of NCDA fees increase was in year 2014 and since then no amendment of abattoir fees were made until now.
- 2. December 2014 average dollar to peso exchange was ₱44.6793 compared to December 2022 average dollar to peso exchange of ₱55.602 or 24.4468% increase of forex value of US dollar over that of Philippine peso.

(See attached US dollar to Phil peso exchange rate table as posted by exchangerates.org.uk)

US DOLL	AR TO PESO AVERAGE
EX	CHANGE RATE
YEAR	PESO
2014	44.6793
2015	45.5236
2016	47.492
2017	50.3799
2018	52.662
2019	51.7675
2020	49.6076
2021	49.2756
2022	55.602
2023	54.2925 (as of 3/31/23)

Source: exchangerates.org.uk

3. The year-on-year average inflation rate in 2014 was 4.1% compared to year-on-year average inflation rate in 2022 of 5.8% or an increase of 1.7%.

(See attached table of Philippine annual average inflation rates for 2014 to 2022 and the Philippine Consumer Price Index annual average for 2014 to 2017 as reported by the Philippine Statistics Authority.)

ANNUA	L AVE. CON	SUMER PRI	CE INDEX	YEAR ON YEAR PERCENT
YEAR	PHIL.	NCR	AONCR	AVERAGE INFLATION RATES IN THE PHILIPPINES
2014	139.5	130.5	142.4	4.1
2015	141.5	131.8	144.6	1.4
2016	144	133.4	147.4	1.8
2017	148.6	138.7	151.7	3.2
2018				5.2
2019				2.4
2020				2.4
2021				3.9
2022				5.8
2023				7.6(as of 3/31/23)

Source: Philippine Statistics Authority

4. Comparison of 2014 hog live weight and pork retail price per kilo at NCPM/Barangay Talipapa versus 2022 hog live weight and pork retail price per kilo at NCPM/Barangay Talipapa.

		2014	
Live we	ight price/kilo	Pork re	tail price/kilo
FARM	BACKYARD	NCPM	BARANGAY
₱110.00	₱90.00	₱220.00	₱200.00

	2	2022	
Live we	ight price/kilo	Pork re	tail price /kilo
FARM	BACKYARD	NCPM	BARANGAY
₱170.00	₱160.00	₱340.00	₱320.00

5. The current NCDA fees are considerably among the lowest in the AA category City abattoirs in the region.

(included in the proposal is the table of fees of City abattoirs with AA category in the region)

ANNUAL A	NNUAL AVE. CONSUMER PRICE INDEX		YEAR ON YEAR PERCENT AVERAGE INFLATION RATES IN THE	
YEAR	PHIL.	NCR	AONCR	PHILIPPINES
2014	139.5	130.5	142.4	4.1
2015	141.5	131.8	144.6	1.4
2016	144	133.4	147.4	1.8
2017	148.6	138.7	151.7	3.2
2018				5.2
2019				2.4
2020				2.4
2021				3.9
2022				5.8
2022				7.6(as of 3/31/2

Source: Philippine Statistics Authority

	O PESO AVERAGE ANGE RATE
YEAR	PESO
2014	44.6793
2015	45.5236
2016	47.492
2017	50.3799
2018	52.662
2019	51.7675
2020	49.6076
2021	49.2756
2022	55.602
2023	54.2925 (as of 3/31/23)

Source:exchangerates.org.uk

## Summary Inflation Report Consumer Price Index (2018=100): December 2022

Reference Number:

2023-001

Release Date:

Thursday, January 5, 2023

Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)

Area	December 2021	November 2022	December 2022	Year-to- Date*
Philippines				
Headline	3.1	8.0	8.1	5.8
Core	1.8	6.5	6.9	3.9
NCR				
Headline	2.1	7.5	7.6	5.1
AONCR				
Headline	3.4	8.0	8.2	6.0

Source: Retail Price Survey of Commodities for the Generation of Consumer

Price
Index
Philippine Statistics Authority

\*Year-on-year change of average CPI for January to December

2022 vs. 2021



Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index Philippine Statistics Authority

#### 1. Philippines

The Philippines' headline inflation increased to 8.1 percent in December 2022, from 8.0 percent in November 2022. This is the highest inflation rate reported for 2022 and the highest since November 2008. Inflation in December 2021 was lower at 3.1 percent. (Tables A and 14, and Figure 1)

The higher inflation in December 2022 than in November 2022 was primarily brought about by the faster year-on-year growth rate in the index of food and non-alcoholic beverages of 10.2 percent, from 10.0 percent in November 2022. This was followed by restaurants and accommodation services whose inflation rate accelerated to 7.0 percent, from 6.5 percent in November 2022. Came third was housing, water, electricity, gas and other fuels with inflation rate of 7.0 percent in December 2022, from 6.9 percent inflation in the previous month.

Other commodity groups that recorded higher year-on-year increments in December 2022 were the following:

- a. Alcoholic beverages and tobacco, 10.7 percent;
- b. Clothing and footwear, 3.9 percent;
- c. Furnishings, household equipment and routine household maintenance, 4.8 percent;
- d. Health, 3.1 percent;
- e. Recreation, sport and culture, 3.9 percent; and
- f. Personal care, and miscellaneous goods and services, 4.5 percent.

On the contrary, lower annual increase was observed in the transport index at 11.7 percent in December 2022, from 12.3 percent in November 2022. Meanwhile, inflation for information and communication (0.7%), education services (3.6%), and financial services (0.0%) remained at their previous month's rates. (Tables 5 and 6)

Food inflation at the national level rose further to 10.6 percent in December 2022, from 10.3 percent in November 2022. In December 2021, food inflation was far lower at 1.6 percent. (Table 9)

The higher year-on-year growth rates in the indices of vegetables, tubers, plantains, cooking bananas and pulses at 32.4 percent; rice at 3.4 percent; and fruits and nuts at 7.6 percent were the main contributors to the increase in the December 2022 food inflation. In addition, faster annual increments during the month were noted in the indices of the following food groups:

- a. Flour, bread and other bakery products, pasta products, and other cereals, 10.9 percent;
  - b. Milk, other dairy products and eggs, 9.9 percent;

- c. Sugar, confectionery and desserts, 38.8 percent; and
- d. Ready-made food and other food products not elsewhere classified (n.e.c.), 9.4 percent.

On the contrary, slower annual growth rates were observed in the indices of the following food groups in December 2022:

- a. Corn, 26.3 percent;
- b. Meat and other parts of slaughtered land animals, 7.4 percent;
- c. Fish and other seafood, 6.3 percent; and
- d. Oils and fats, 19.2 percent. (Table 7)

The Philippines' average inflation rate for 2022 stood at 5.8 percent, higher than the 2021 average inflation rate of 3.9 percent.

Compared with their respective average inflation rates in 2021, the indices of the following commodity groups recorded higher annual mark-ups in 2022:

- a. Food and non-alcoholic beverages, 5.9 percent;
- b. Clothing and footwear, 2.6 percent;
- c. Housing, water, electricity, gas and other fuels, 6.4 percent;
- d. Furnishings, household equipment and routine household maintenance, 3.2 percent;
- e. Transport, 12.9 percent;
- f. Recreation, sport and culture, 2.3 percent;
- g. Education services, 1.8 percent;
- h. Restaurants and accommodation services, 4.1 percent; and
- i. Personal care, and miscellaneous goods and services, 3.0 percent.

On the contrary, average inflation during the year were slower in the indices of alcoholic beverages and tobacco at 7.9 percent; health at 2.6 percent; and financial services at 8.2 percent. The information and communication index maintained its 2021 average inflation of 0.6 percent. (Tables 5, 6A and 14)

Excluding selected food and energy items in the headline inflation, core inflation in December 2022 went up to 6.9 percent, from 6.5 percent in November 2022. Core inflation in December 2021 was observed at 1.8 percent. The average core inflation for 2022 was posted at 3.9 percent, while 3.0 percent in 2021. (Tables A and 11)

Table B. Year-on-Year Inflation Rates in the Philippines, All Items
In Percent
January 2018 - December 2022
(2018=100)

Month			Year		
	2018	2019	2020	2021	2022
January	3.4	4.4	3.0	3.7	3.0
February	3.7	3.8	2.5	4.2	3.0
March	4.3	3.4	2.2	4.1	4.0
April	4.3	3.2	1.8	4.1	4.9
May	4.6	3.2	1.6	4.1	5.4
June	5.0	2.7	23	3.7	6.1
July	5.8	22	2.4	3.7	6.4
August	6.6	1.4	2.2	4.4	6.3
September	6.9	0.5	2.2	4.2	6.9
October	6.9	0.6	2.3	4.0	7.7
November	6.1	1.2	3.0	3.7	8.0
December	5.2	24	3.3	3.1	8.1
Average	5.2	2.4	2.4	3.9	5.8

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index Philippine Statistics Authority

#### 2. National Capital Region (NCR)

Inflation in NCR, likewise, moved at a faster pace of 7.6 percent in December 2022, from 7.5 percent in November 2022. In December 2021, the inflation rate in the area was observed at 2.1 percent. (Tables A and 5)

Among the commodity groups, restaurants and accommodation services, with 9.5 percent inflation in December 2022 from 8.8 percent in the previous month, primarily contributed to the uptrend of inflation in the area. This was followed by housing, water, electricity, gas and other fuels with 4.0 percent inflation in December 2022 from 3.7 percent in the previous month. Other commodity groups with higher year-on-year mark-ups in December 2022 were the following:

- a. Furnishings, household equipment and routine household maintenance, 4.5 percent;
- b. Health, 1.4 percent;
- c. Information and communication, 0.4 percent; and
- d. Recreation, sport and culture, 3.2 percent.

On the other hand, slower annual increments were registered in the indices of alcoholic beverages and tobacco at 7.2 percent, and transport at 14.0 percent. The indices of the rest of the commodity groups retained their respective annual growth rates in November 2022. (Tables 5 and 6)

The average inflation for 2022 in NCR went up to 5.1 percent in 2022, from 2.7 percent in 2021. (Tables 6A and 15)

## 3. Areas Outside NCR (AONCR)

Following the trend at the national level and NCR, inflation in AONCR also showed an uptrend of 8.2 percent in December 2022, from 8.0 percent in November 2022. In December 2021, it was recorded at 3.4 percent. (Tables A and 5)

Inflation rate in the area was mainly pushed up by the higher year-on-year increment in the food and non-alcoholic beverages index at 10.0 percent in December 2022, from 9.7 percent in November 2022. This was followed by restaurants and accommodation services, recording 6.0 percent annual growth in December 2022, from 5.6 percent in November 2022. Also contributing to the uptrend of inflation in the area was housing, water, electricity, gas and other fuels with 8.1 percent inflation in December 2022, from 8.0 percent in the previous month. Other commodity groups with higher inflation in December 2022 than in the previous month were the following:

- a. Alcoholic beverages and tobacco, 11.4 percent;
- b. Clothing and footwear, 4.1 percent;
- c. Housing, water, electricity, gas and other fuels, 8.1 percent;
- d. Furnishings, household equipment and routine household maintenance, 4.8 percent;
- e. Health, 3.4 percent;
- f. Recreation, sport and culture, 4.0 percent; and
- g. Personal care, and miscellaneous goods and services, 5.0 percent.

On the other hand, inflation rates for transport and information and communication were slower at 11.2 percent and 0.8 percent, respectively. The annual rates in the indices of education services (2.0%) and financial services (0.0%) remained at their previous month's annual rates. (Tables 5 and 6)

Compared with their respective annual growth rates in November 2022, 11 regions in AONCR exhibited higher inflation rates in December 2022. Among the regions in AONCR, Region VI (Western Visayas) posted the highest inflation rate of 10.5 percent, while the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) remained as the region with the lowest inflation at 6.3 percent. (Table 6)

The average inflation in AONCR for 2022 accelerated to 6.0 percent, from 4.2 percent in 2021. (Tables 6A and 16)

Relative to their 2021 average inflation rates, all regions in AONCR had higher average inflation rates in 2022, except for Region II (Cagayan Valley) and Region V (Bicol Region). Region XI (Davao Region) registered the highest average inflation of 7.4 percent during the year. On the contrary, BARMM had the lowest annual average inflation of 3.8 percent. (Table 6A)

Note: CPIs and inflation rates by province and selected city are posted at the PSA website (https://openstat.psa.gov.ph/).

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Undersecretary
National Statistician and Civil Registrar General

See more at the CPI and Inflation Rate main page.

#### Tags:

- Price Indices
- CPI (2018=100)

#### Attachments:

- Statistical Tables
- Press Release

Summary Inflation Report Consumer Price Index (2006=100): September 2017

Reference Number:

2017-119

Release Date:

Thursday, October 5, 2017

YEAR-ON-YEAR

Year-on-Year Inflation Rates, All Items

Area	Sep 2017	Aug 2017	Sep 2016	Year- to-date
Philippines				
Headline	3-4	3.1	2.3	3.1
Core	3-3	3.0	2.3	2.9
NCR				
Headline	4-7	4.0	2.0 3	
AONCR				
Headline	3.0	2.8	2.4	2.9

#### **Philippines**

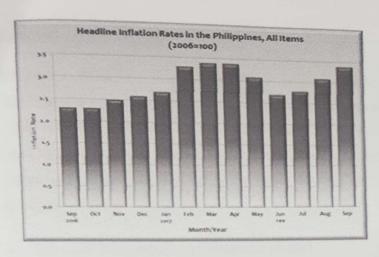
The country's annual **headline inflation** moved up at a faster pace of 3.4 percent in September 2017. In the previous month, the annual increase was posted at 3.1 percent and in September 2016, 2.3 percent. This was primarily due to the 3.6 percent annual growth recorded in the heavily-weighted food and non-alcoholic beverages index. Higher annual increments registered in the following commodity groups also contributed to the uptrend:

- Alcoholic Beverages and Tobacco (6.4%);
- Clothing and Footwear (2.0 %);
- Housing, Water, Electricity Gas and Other Fuels (3.8%);
- Transport (4.8%); and
- Restaurant and Miscellaneous Goods and Services (2.4%).

The rest of the commodity groups retained their previous month's rates except for the index of health whose annual gain was slower at 2.3 percent (see Tables 6 and 8).

Excluding selected food and energy items, **core inflation** further moved up by 3.3 percent in September 2017. Its annual growth in the previous month was observed at 3.0 percent and in September 2016, 2.3 percent (see Table 15).

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The annual growth of the food alone index at the national level was recorded at 3.7 percent in September 2017. It was the same rate registered in August 2017 while in September 2016, its annual mark-up was seen at 3.1 percent (see Table 13).

Higher annual add-ons were observed in the indices of corn and other cereals, flour, cereal preparation, bread, pasta and other bakery products, both at 1.9 percent; fish, 10.0 percent; oils and fats, 5.9 percent, vegetables, 4.3 percent and food products not elsewhere classified, 1.0 percent. The rest of the food groups posted lower annual hikes with the index of sugar, jam, honey, chocolate and confectionery still recording annual decline at -2.8 percent (see Table 10).

Year-on-Year Inflation Rates in the Philippines, All
Items
January 2012 - September 2017
(2006=100)

		Ye	ar		
2012	2013	2014	2015	2016	2017
	3.1	4.2	2.4	1.3	2.7
	3.4	4.1	2.5	0.9	3.3
	3.2	3.9	2.4	1.1	3.4
		4.1	2.2	1.1	3.4
		4.5	1.6	1.6	3.1
			1.2	1.9	2.7
			0.8	1.9	2.8
				1.8	3.1
				2.3	3.4
3.7					
3.2					
2.8					
3.0	4.1				
3.2	3.0	4.1	1.4	1.0	
	2.8	201220134.03.12.73.42.63.23.02.62.92.73.22.53.82.13.72.73.22.92.83.33.04.1	2012       2013       2014         4.0       3.1       4.2         2.7       3.4       4.1         2.6       3.2       3.9         3.0       2.6       4.1         3.0       2.6       4.5         2.9       2.7       4.4         3.2       2.5       4.9         3.8       2.1       4.9         3.7       2.7       4.4         3.2       2.9       4.3         2.8       3.3       3.7         3.0       4.1       2.7	Year         2012       2013       2014       2015         4.0       3.1       4.2       2.4         2.7       3.4       4.1       2.5         2.6       3.2       3.9       2.4         3.0       2.6       4.1       2.2         3.0       2.6       4.5       1.6         2.9       2.7       4.4       1.2         3.2       2.5       4.9       0.8         3.8       2.1       4.9       0.6         3.7       2.7       4.4       0.4         3.2       2.9       4.3       0.4         2.8       3.3       3.7       1.1         3.0       4.1       2.7       1.5	Year         2012       2013       2014       2015       2016         4.0       3.1       4.2       2.4       1.3         2.7       3.4       4.1       2.5       0.9         2.6       3.2       3.9       2.4       1.1         3.0       2.6       4.1       2.2       1.1         3.0       2.6       4.5       1.6       1.6         2.9       2.7       4.4       1.2       1.9         3.2       2.5       4.9       0.8       1.9         3.8       2.1       4.9       0.6       1.8         3.7       2.7       4.4       0.4       2.3         3.2       2.9       4.3       0.4       2.3         2.8       3.3       3.7       1.1       2.5         3.0       4.1       2.7       1.5       2.6

# National Capital Region (NCR)

Inflation in NCR continued to climb up as it registered a growth of 4.7 percent in September 2017. In the previous month, it was pegged at 4.0 percent and in September 2016, 2.0 percent. This was brought about by the higher annual increment observed in food and non-alcoholic beverages index at 5.0 percent and the double-digit annual mark-up still noticed in the transport index at 11.3 percent. Annual gains were also higher in the indices of the following commodity groups:

- Alcoholic Beverages and Tobacco (8.2%);
- Clothing and Footwear (2.3%);
- Housing, Water, Electricity, Gas and other Fuels (4.0%);
- Furnishing, Household Equipment and Routine Maintenance of the House (1.9%); and
- Restaurant and Miscellaneous Goods and Services (5.2%).

A slower annual growth was however, seen in the health index at 3.4 percent while those for the indices of the rest of the commodity groups moved at their previous month's rates. (see Tables 6 and 8).

#### Areas Outside NCR (AONCR)

Similarly, inflation in AONCR picked up by 3.0 percent September 2017. Its annual rate in the previous month was 2.8 percent and in September 2016, 2.4 percent. Higher annual increases were posted in the indices of the following commodity groups:

- Alcoholic Beverages and Tobacco (6.1%);
- Housing, Water, Electricity, Gas an other Fuels (3.7%); and
- Transport (3.0%).

The rest of the commodity groups retained their previous month's rates (see Tables 6 and 8).

Higher annual increments were registered in 11 regions. The highest annual inflation of 4.8 percent was recorded in Autonomous Region in Muslim Mindanao while the lowest rate at 1.5 percent was still recorded in SOCCSKSARGEN (see Table 8).

## Month-on-Month Inflation Rates, All Items

Area	Sep 2017	Aug 2017
Philippines	0.5	0.3
NCR	1.0	0.4
AONCR	0.3	0.3

## MONTH-ON-MONTH

Prices of consumer items at the national level went up by 0.5 percent in September 2017. It the previous month, the rate stood at 0.3 percent. This was mainly effected by the 0.5 percent growth posted in food and non-alcoholic beverages index. Higher monthly rates were also noted in the indices of housing, water, electricity, gas and other fuels at 1.0 percent; transport, 0.6 percent; and restaurants and miscellaneous goods and services, 0.3 percent. The rest of the commodity groups either had slower increments or retained their previous month's rate with the indices of communication and education recording a zero growth (see Table 7).

Higher charges in electricity rates were noted in NCR and in many provinces during the month. Most of the regions also registered upward adjustments in the prices of petroleum products such as LPG, kerosene, gasoline and diesel.

Food prices particularly corn, fruits, vegetables, fish and cooking oil were also higher in many regions during the period.

#### Notes:

- The second phase survey reports from Tawi-Tawi, Isabela City and Lanao del Sur were not received as of 4 October 2017.
- Prices of Marawi City in Lanao del Sur were imputed for September 2017 based on the price
  movements of commodities of the nearest province, Lanao del Norte. The province of Lanao del Sur
  still was not able to conduct price surveys in Marawi City due to the current peace and order problem
  in the area.
- CPIs and inflation rates by province and selected city are also available upon request at Philippine Statistics Authority, Economic Sector Statistics Service, Price Statistics Division (Telephone Number: 376-19-59).

FOR THE NATIONAL STATISTICIAN:

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