

# TECHNICAL NOTES

## I. Introduction

### I.1 Background

The Philippine Statistics Authority (PSA) serves as the central statistical authority of the government on primary data collection which includes the consolidation of selected administrative recording systems. Construction statistics from approved building permits is one of the data generated by PSA based on administrative records. It is compiled by PSA from the copies of approved building permits issued by the Local Building Officials (LBOs) of the Local Government Units (LGUs).

However, the approved building permits issued by LBOs is just one of the sources of construction statistics. Other sources of construction statistics are the surveys of construction establishments and enterprises conducted by the PSA, and the administrative-based data from the Department of Public Works and Highways (DPWH) and the Commission on Audit.

This Special Release presents the preliminary data on construction statistics from approved building permits for the first quarter of 2024. Data are presented at the regional, provincial and/or Highly Urbanized City levels.

### I.2 Objectives

Construction statistics from approved building permits aim to provide monthly administrative-based data on building constructions at the municipality level nationwide. Statistics generated are the following:

1. number of units/buildings
2. floor area of the buildings
3. types of construction
4. value of construction

### I.3 Scope and Coverage

Construction statistics presented in this special release are based on the approved building permits on new constructions, additions, and alterations and repairs of existing residential and non-residential buildings, and other structures, which are proposed to be constructed in different cities/municipalities of the country.

## I.4 Geographic Classification

For the second quarter of 2024, building constructions are classified and presented by geographic area using the Philippine Standard Geographic Classification (PSGC) as of November 2023.

## II. Methodology

### II.1 Data Collection

The collection of the approved building permits from the LBOs is done within the first five working days after each reference month by a PSA field staff.

### II.2 Sources of Data

Construction statistics are compiled by the PSA from the copies of original application forms of approved building permits as well as from the demolition and fencing permits collected every month by PSA field personnel from the offices of LBOs nationwide.

### II.3 Statistics Generated

Construction statistics generated from approved building permits provide monthly data on building construction at the regional and provincial levels. The statistics generated are the following:

1. number of constructions
2. floor area
3. type of construction
4. value of construction

Aside from the preliminary tables posted in the PSA website, the annual, quarterly, and monthly statistical tables at the municipality level by type of construction are available in OpenStat.

### II.4 Limitations of Data

Data on building constructions are based on approved applications for construction during the reference period and not on the construction work completed during the reference period.

The completeness of construction data relies on the approved applications filed in the LBOs. Hence, building constructions without approved building permits are not part of the tabulation of data.

### III. Concepts and Definition of Terms

The definition of terms is adopted from the Revised and Updated IRR of the National Building Code.

**Building permit** is a written authorization granted by the LBO to an applicant allowing him to proceed with the construction of a specific project after plans, specifications, and other pertinent documents have been found to be in conformity with the National Building Code (PD 1096).

**Building** refers to any independent, free-standing structure comprised of one or more rooms or other spaces, covered by a roof and enclosed with external walls or dividing walls, which extend from the foundation to the roof.

**Construction** refers to all on-site work done from site preparation, excavation, foundation, assembly of all the components and installation of utilities, machineries, and equipment of buildings/structures.

**Residential building** is a building for which its major parts or more than half of its gross floor area is built for dwelling purposes. This type of building can be of the single type, duplex, apartment and/or accessoria, and residential condominium.

**Single house** is a complete structure intended for a single family or household, i.e., bungalow, 2-storey house, nipa hut, etc.

**Duplex** house is a structure intended for two households, with complete living facilities for each; it is a single structure divided into two dwelling units by a wall extending from the floor to the ceiling.

**Apartment** is a structure, usually of two storeys, made up of independent living quarters, with independent entrances from internal walls and courts.

**Accesoria** is a one or two-floor structure divided into several dwelling units, each dwelling unit having its own separate entrance from the outside.

**Residential condominium** is a structure, usually of several storeys, consisting of multiple dwelling units.

**Other residential construction** consists of school or company staff houses, living quarters for drivers and maids, and guardhouses.

**Non-residential building** includes commercial, industrial, agricultural, and institutional buildings.

**Commercial buildings** refer to office buildings and all buildings which are intended for use primarily in wholesale, retail, and service trades; i.e., stores, hotels, restaurants, banks, disco houses, etc.

**Industrial buildings** are buildings used to house the production, assembly, and warehousing activities of industrial establishments; i.e., factories, plants, mills, repair shops, machine shops, printing press, storage plants, electric generating plants.

**Institutional buildings** are buildings which primarily engaged in providing educational instructions and hospital/health care; ports, airports and other government buildings; i.e., schools, museums, libraries, sanitarium, churches, hospitals.

**Agricultural buildings** are buildings used to house livestock, plants, and agricultural products such as barns, poultry houses, piggeries, stables, greenhouses, and grain mills.

Other **non-building constructions** include cemetery structures, street furniture, waiting sheds, communication towers, etc.

**Addition** refers to any new construction which increases the height or area of an existing building/structure.

**Repair** is a remedial work done on any damaged or deteriorated portion/s of a building/structure to restore its original condition.

**Renovation** is any physical change made on structures to increase their value and quality.

**Alteration** is a construction in a building/structure involving changes in the materials used, partitioning and location/size of openings, structural parts, existing utilities, and equipment but does not increase the overall area thereof.

**Conversion** is a change in the use or occupancy of structure or any portion thereof, which has different requirements.

**Demolitions** refer to the systematic dismantling or destruction of a building/structure, in whole or in part.

**Street furniture** are street structures consisting of monuments, waiting sheds, benches, plant boxes, lampposts, electric poles, and telephone poles.

**Floor area of building** refers to the sum of the area of each floor of the building measured to the outer surface of the outer walls including the area of lobbies, cellars, elevator shafts, and all communal spaces in multi-dwellings. Areas of balconies are excluded.

**Total value of construction** refers to the sum of the cost of building, electrical, mechanical, plumbing, and others. The value is derived from the approved building permit and represents the estimated value of the building or structure when completed.

#### **IV. Dissemination of Results and Revision**

##### IV.1 Dissemination

Preliminary results of construction statistics are made public in the form of Quarterly Special Releases. The Quarterly Special Releases are reports containing the preliminary results of construction statistics submitted within the cut-off dates for each month. Results are posted 50 days after the reference quarter in the PSA website. The statistical tables are also available in OpenStat.

##### IV.2 Revision

All documents received after the cut-off date, which is 40 days after the reference quarter, are included in the generation of revised results. The revised data of the previous quarter are reported during the release of the preliminary report of the current quarter. Revisions are made for the previous quarters until the annual report is released seven months after the reference year.