

FOREWORD

The conventional System of National Accounts (SNA), which provides indicators to assess the country's economic performance, does not cover the depletion and degradation of environmental and natural resources nor the negative impacts of economic activities to the environment. Such shortcoming of the conventional accounts is addressed by linking environmental concerns to the SNA. The 1993 SNA provides a mechanism for integrating environment and economy through a satellite account, the System of Integrated Economic and Environmental Accounts (SEEA).


In 1995, the Environmental and Natural Resource Accounting (ENRA) was launched as a sub-programme of the Integrated Environmental Management for Sustainable Development (IEMSD) Programme sponsored by the United Nation's Development Programme (UNDP) in collaboration with the National Economic Development Authority (NEDA) and the Department of Environment and Natural Resources (DENR). The sub-programme, with the National Statistical Coordination Board as lead agency to develop the environmental accounts, adopted the SEEA Framework to address the nation's need for a proper valuation of the environment and natural resources. The outputs of the Environmental and Natural Resource Accounting Project (ENRAP), funded by the USAID significantly facilitated the initial efforts of the ENRA Sub-programme.

The ENRA sub-programme has accomplished several milestones which included the (1) operationalization of the Philippine System of Environment and Economic Accounts (PSEEA) framework for the establishment of reliable accounts; (2) the establishment of institutional linkages and creation of technical working groups for effective implementation of the ENRA; (3) publication of the first ENRA Report on the three resources namely forest, fishery, and mineral resources; (4) establishment of the ENRA Database System; and (5) pilot-testing of the PSEEA framework at the regional level. Most importantly, the Executive Order No. 406 was signed on March 1997 which institutionalizes the Philippine Economic-Environmental and Natural Resource Accounting (PEENRA) System and creating units within the organizational structure of the Department of Environment and Natural Resources, National Economic and Development Authority and the National Statistical Coordination Board.

This second ENRA publication “Philippine Asset Accounts: Forest, Fishery, Land/Soil, Mineral and Water Resources,” has realized the goal of ENRA to develop an appropriate framework and methodology in the valuation of environmental and natural resources as a relevant tool to integrate environmental concerns in socio-economic planning and decision-making. The operationalization of the ENRA is a product of collaborative efforts of the various sectoral technical working groups from different agencies composed of data producers, data users and compilers of the PSEEA, including the valuable technical support provided by the United Nations Statistics Division (UNSD).

The content of this comprehensive report is divided into two main parts: an executive summary that highlights the results of the studies and five separate technical reports on forest, fishery, land/soil, mineral, and water resources. Each technical report covers the (1) introduction and description of the resource; (2) conceptual framework; (3) operationalization of the framework, which includes a discussion on the sources of data and the estimation methodology used; (4) analysis of results; and (5) recommendations on the improvement of the compilation of the asset account. All these reports have gone through various consultations that drew comments and reactions from sectoral experts and practitioners. The results of these studies were presented to policy makers, data users and data producers both in local and international venues.

Through this publication, we hope to disseminate relevant information on the status of our environmental and natural resources as well as to solicit comments for the improvement of the ENRA. This will help NSCB and other relevant government agencies in our effort to provide a more reliable assessment of the environmental and natural resources of our country.


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