

**ENVIRONMENT AND NATURAL RESOURCES ACCOUNTING
(ENRA II) Project: Institutionalization of the Philippine
Economic-Environmental and Natural Resource Accounting
(PEENRA) System
PHI/97/018/A/01/99
ANNUAL ACCOMPLISHMENT REPORT
YEAR 2000**

This is the accomplishment report of the Environment and Natural Resources Accounting (ENRA II) project for the year 2000. The project was extended till the first quarter of year 2001. The report is divided into two parts. The first part discusses the activities accomplished at the national level while the second part focuses on the activities accomplished by the pilot areas of the project at the subnational areas.

I. NATIONAL LEVEL

The activities at the national level focused on the conduct of the International Workshop on Economic and Environmental Accounting and revisions and updating of estimates of the different asset and economic activities accounts. The Survey of Environmental Protection Expenditure and the draft of the Framework on PEENRA Data Improvement Plan were also some of the accomplishments worth noting in furtherance to the institutional/data requirements of the PEENRA towards the mainstreaming of environmental concerns in policy formulation, planning and decision-making.

1. Training and Technical Assistance

1.1. National Workshop on PEENRA

The National Workshop on PEENRA was conducted last February 24 –26, 2000. The three-day affair tackled the issues and problems that were encountered during the development and compilation of environmental accounts, as well as the comments and suggestions of environmental accounting experts. Resolutions to the said issues were also presented along with the Work and Financial Plans of each group/sector. Participants to the workshop include the NSCB-PEENRA staff, NSCB-Cordillera Administrative Region (CAR), Department Environment and Natural Resources-CAR, Mines and Geosciences Bureau (MGB-CAR), Land Management Service (LMS-CAR), and the Palawan Council for Sustainable Development (PCSD).

1.2. International Workshop on Economic and Environmental Accounting

The International Workshop on Economic and Environmental Accounting was conducted last September 18 – 22, 2000 at the Westin Philippine Plaza,

Manila. It was conducted in close coordination with the United Nations Statistics Division and other international organizations/individuals. The United Nations Statistics Division funded the participation of the ASEAN countries while the Department of Environment and Natural Resources provided financial support for the successful conduct of the workshop.

The Workshop served as a vehicle to review, compare and discuss the work being done toward the development of environmental accounting among the ASEAN member countries, as well as other Asia Pacific countries.

Eleven participants from eight ASEAN countries namely: Cambodia (1), Indonesia (2), Lao PDR (1), Malaysia (1), Myanmar (1), Singapore (1), Thailand (3), and Vietnam (1) attended the workshop. The workshop also attracted the participation of China (1), Hong Kong, China (1), Mongolia (1), Australia (1), and Japan (1).

As part of the institutionalization and advocacy campaign of the project the following national government agencies were invited: Department of Agriculture (3), Department of Environment and Natural Resources (11), Department of Trade and Industry (2), National Economic and Development Authority (3), National Statistics Office (3), Philippine Institute on Development Studies (1), Philippine Council for Sustainable Development (1), Palawan Council for Sustainable Development Staff (3), and Commission on Audit (1). The Office of Senator Legarda (1) and the House Committee on Community Affairs (1) were also represented.

The academe and non-government organizations were represented by: Ateneo de Manila University (1), University of the Philippines at Los Baños (2), and University of Santo Tomas (2), Mirriam College' Public Education and Awareness Campaign for the Environment (Mirriam PEACE) (1), Earth Savers Movement (1), and Lingkod Tao Kalikasan (1) while the private sector was represented by the Resource, Environment and Economics Center for Studies, Inc (1).

The mass media people coming from, Manila Bulletin, ABC 5, NGO for Philippine Media Forces and Eco Tri Media were also present during the workshop particularly on the first day.

Representatives from various international organizations i.e., the London Group (1), United Nations Economic and Social Commission for Asia and the Pacific (2), World Bank (1), UN Statistics Division (2), and New York University (1) presented different papers regarding environmental accounting. The Philippine based Asian Development Bank (1) was also present.

The National Statistical and Coordination Board likewise sent 9 participants to the workshop.

Country participants presented a report on the status and plans on environmental accounting/statistics. This was followed by a chapter-by-chapter presentation of the draft SEEA 2000 manual. After each chapter discussion, a country experience was presented to elucidate how the concepts were implemented. The Philippine experience on the institutionalization of environmental accounting was also presented. Lastly, the question on how to sustain the discussions and efforts of the workshop leading to the formation of an organization on environmental accounting was discussed.

It is important to note that the workshop indicated that all countries were keen on taking steps toward the compilation of environmental statistics/accounting. Also, the subject matter presentations shows the conceptual, methodological and data source issues. The availability of data for compiling environmental accounts is a concern and needs further efforts particularly the presence of a coordinative mechanism among concerned agencies. Most importantly, there was a need for capability building in terms of both technical and financial concerns from different institutions and/or countries with experiences in this field. Nevertheless the workshop emphasized that environmental accounts/statistics could be a powerful tool for decision-making and policy formulation.

Participants to the workshop also agreed on the need for an organizational framework of cooperation that would facilitate the conduct of a forum on environmental accounting. This will include the creation of a definite organizational structure, terms of reference for the forum that will include the objectives and functions, the necessary committees such as forum secretariat, facilities and other resources.

In view of the efforts of the Philippines in pioneering discussions on environmental accounting within the region, it was recommended that the Philippines should serve as the secretariat of the forum or network. Country representatives from Indonesia and Australia agreed in principle to host succeeding meetings of the networking group.

There was, more or less, an agreement that the forum or network shall include countries within the Asia-Pacific region and other interested countries. It was also the opinion of the workshop that this forum or network of countries should meet on a regular basis and a concept paper would be drafted by the secretariat and circulated to the workshop participants towards the formal creation of the networking group. The concept paper would cover areas of agreement reached and the issues that arose during the panel discussion. The formation of the proposed networking group would be presented during the annual meeting of the ESCAP-Committee on Statistics in November 2000.

In view of the above agreements, particularly on the role of the National Statistical Coordination Board (NSCB) Philippines as the Secretariat, a concept paper of the Manila Network has been drafted and sent by the NSCB to the respective country participants. Moreover, the country and technical papers of the workshop have been formatted and ready for uploading to the PEENRA homepage, the temporary website of the Network. Likewise, the proceedings of the workshop have been sent to the parties concerned for comments. The final version of the report is expected to be released on the first quarter of the year 2001.

1.3. ENRAP Terminal Workshop

A paper prepared by Dr. R.A. Virola and S. M. de Perio entitled "Environment Natural Resource Accounting Project (ENRAP), NSCB and the Integration of Environmental and Economic Accounts in the Philippine Statistical System" was presented during the Final ENRAP Conference held last February 2000.

The said paper traced the roots of environmental accounting in the Philippines, how NSCB got involved in environmental accounting, the continuing efforts being undertaken by NSCB, and the on-going institutionalization of environmental accounting in the Philippines.

1.4. Training on Environmental Accounts for National Integrated Protected Areas (NIPA) Personnel

The non-government organization, **National Integrated Protected Areas, (NIPAS)**, conducted a training-workshop on Environmental Accounts for its personnel. Roger Birosel, a member of Inter-agency Committee of the Project and the Board Secretary of the NGO tapped the ENRA staff to be the resource speakers for the said training.

The training workshop held last November 15 to 17, 2000 and participated in by 11 personnel from NIPA dealt with the following topics (with hands on exercises):

- a. Economic and Environmental Accounts;
- b. Environmental Protection Expenditures: Concepts and Philippine Experience and Survey on Environmental Protection Expenditures (SEPE);
- c. Classification of Environmental Protection Activities (CEPA);
- d. Estimation Methodology of Land Resource Accounts (with hands on training);
- e. Estimation methodology of Fishery Resources (with hands-on training);
- f. Estimation Methodology of Agriculture particularly on Palay farming (with hands-on training).

2. Data Generation and Improvement

2.1. Benchmark Parameters on Environmental Protection

Preliminary analysis of the Survey on Environmental Protection Expenditures (SEPE) covering the year 1998 has been conducted. The survey covered pollutive industries under Agriculture, Mining and Quarrying, Manufacturing, Electricity and water, Transportation, Hotels, Health and Social work. The geographic areas covered were limited to four (4) regions – the National Capital Region (NCR), the Cordillera Administrative Region (CAR), Central Luzon (Region III) and Southern Tagalog (Region IV). The 1999 listing of establishments, excluding those that started operation in 1999, served as the frame for the survey. Of the 800 sample establishments covered, 76% responded but only 65% were considered good questionnaires.

While the preliminary results showed interesting facts, there appears to be a lot of underestimation, given levels of the variables generated. One of the problems cited in the field operation is the inability of the respondents to provide

the desired desegregation. This could be so, probably because of lack of understanding of EP concepts and because financial statements do not provide for the required details of the questionnaire. A more in-depth evaluation of the individual responses, problems encountered in the field operations and processing, as well as further review of the questionnaire will have to be done. This is expected to be completed on the first quarter of the year 2001.

The preliminary results of the survey were presented to the recently concluded International Workshop on Economic and Environmental Accounting.

3. Maintenance of the Framework/Compilation of the Accounts

Almost all resource/activity account estimations have been revised/updated. These were presented to the PEENRA staff for comments during the last days of the year. The presentation focused on the framework, parameters used, and estimation methodology. The revised/updated accounts are as follows:

Asset	Coverage	Remarks
Land/Soil		
Physical and Monetary Estimates for Agricultural Land Resource	1988 – 1998	Update
Physical Estimates for Forest Land Resource	1988 – 1998	New
Mineral		
Physical and Monetary Estimates of Metallic Minerals Particularly Gold and Copper	1988 – 1996	Update
Physical and Monetary Estimates of non-metallic minerals particularly Chromites	1988 – 1996	Update
Physical and Monetary Estimates of non-metallic minerals particularly Coal.	1988 - 1998	New
Water		
Physical Estimates of the Withdrawal (demand) of Water	1994 -1998	Update
Forest		
Physical and Monetary Estimates of Rattan	1988 – 1998	Revised
Physical and Monetary Estimates of Plantation Forest	1988 – 1998	New
Fishery		
Physical Estimates of Marine Fishery Resources	1995 – 1999	Update
Physical Estimates of Freshwater Fishery Resources	1988 -1999	New
Activity Account		
Agriculture/Fishery		

Physical and Monetary Estimates for Poultry Industry (Chicken)	1988 -1998	New
Physical and Monetary Estimates for Upland Palay Farming	1995 - 1999	Update
Physical and Monetary Estimates for Intensive Shrimp Aquaculture	1995 - 1999	Update
Physical and Monetary Estimates for the Hog Industry	1995 - 1999	Update
Energy/Electricity		
Physical Estimates of Coal Energy	1988 - 1998	New
Physical Estimates for Electricity Generation	1996- 1998	Update
Household		
Drafted List of Parameters, proposed Methodology and Framework		New
Manufacturing		
Physical and Monetary Estimates of Paint Industry	1988 - 1998	Update
Physical and Monetary Estimates of Tuna Industry	1994 - 1998	Update
Physical and Monetary Estimates of Sugar Industry	1994 - 1998	Update
Physical and Monetary Estimates of Cement Industry	1994 - 1998	Update
Physical and Monetary Estimates of Petroleum Industry	1994 - 1998	Update
Services Sector		
Government Services Environmental Protection Expenditures	1994 - 1998	Update
Private Sector Environmental Protection Expenditures	1994 - 1998	Update

Some of the accounts, particularly, land/soil and fishery accounts were presented to the International Workshop on Economic and Environmental Accounting Documentation of the analysis of the results for all the resources/economic activities accounts will be undertaken in 2001.

4. Organizational Activities

4.1. Conduct of the PEENRA Steering Committee (SC)

The PEENRA Steering Committee conducted two meetings in the year 2000. During the first meeting (held February 22, 2000), two resolutions were signed, the *Guidelines for the Generation of Statistics/Indicators for the Compilation of PEENRA System* and the creation of Technical Working Groups

for the compilation of Fishery, Land/Soil and Water Resources Asset Accounts. Also, presented were the physical accounts for Land/Soil Resources, Advocacy Plan of the Project, the program proposal for the International Workshop on SEEA 2000 and the first Manila Group meeting, and the work plan of the steering committee.

On the second meeting (held June 27, 2000), the action plan leading to the integration of PEENRA results into the country's socio-economic indicator system was presented. As to the designation of PEENRA as official statistics it was recognized that there is a pressing need to improve the current compilation methodologies, the coverage and the framework before recommending its designation as an official statistics by virtue of Executive Order Number 352. The Philippine Marine Fishery Resource Accounts compiled by the technical working group on fishery was likewise presented during the meeting.

4.2. Conduct of the PEENRA Inter-Agency Committee (IAC)

The PEENRA-IAC, on the other hand, conducted three meetings during the year. The status of the Policy Study being conducted by DENR, the designation of PEENRA as official statistics, the integration of PEENRA results into socio-economic indicator systems were the primary topics discussed during the first meeting which was held on March 28, 2000.

Since the IAC also serves as the Project Advisory Group tasked to evaluate/monitor the project, the committee during its second meeting, agreed to review the quarterly accomplishment reports of the project. The comments of some IAC members, particularly, NEDA and DTI, on the accomplishment reports of the project were discussed during the 8th PEENRA IAC meeting. It was suggested that accomplishment report should include the over-all assessment of the performance of the project vis-à-vis planned targets and objectives.

5. ON THE IMPLEMENTATION OF THE EXECUTIVE ORDER (EO) NUMBER 406

After the PEENRA National Workshop, the technical working group on Forest and Mining/Mineral conducted consultation meetings with the Forest Management Bureau (FMB) and Mines Geosciences Bureau (MGB), respectively. The discussion focused on the issues, problems and resolutions of the accounts estimation of the particular resources/activity.

In pursuance with EO 406, a series of meetings was conducted with the Department of Budget and Management with regards to the creation of a PEENRA unit in the National Statistical Coordination Board. Due to the existing policy of the government of "no creation of new units," PEENRA therefore, will remain as a foreign assisted project up to year 2001.

Comments and suggestion were sent to the director of the Executive-Legislative Liaison Service with regards to **Senate Bill No. 1896 entitled "An Act Institutionalizing the Environmental and Natural Resources Accounting System, Designating the Agencies Responsible for its Implementation, providing Institutional Arrangement Among Responsible Agencies and**

Appropriating Funds Thereof” being sponsored by Senator Loren Legarda-Leviste. The main focus of the comments/suggestions was the role of NSCB as the sole compiler of the National Accounts in relation to the compilation of environmental accounts. Consequently, NSCB would prefer that the compilation of all components of environmental accounts, including the physical asset accounts, be done by the NSCB and not by the data producers so that the accounts should be free of partiality just like the PSNA.

6. Capability Building

Three NSCB-PEENRA personnel attended three different workshops relevant to environmental accounting. The first workshop, which was held last January, was the planning meeting sponsored by the Protected Areas and Wildlife Bureau of DENR, Conservation International, Philippines and Biodiversity Conservation Program of UP CIDS-NAST. The said meeting is in preparation for the National Biodiversity Conservation Priority Setting Workshop which will re-assess conservation priorities in the country and produce an annex to the National Biodiversity Strategy and Action Plans.

The second workshop was conducted on February 22, 2000 by the Task Force on Sustainable Development Indices (SDI), which is being coordinated by the Agriculture Staff of the National Economic and Development Authority (NEDA).

The third workshop was the final review meeting on the project, Measurement of Environmental Performance of the Philippines in selected sectors of the economy, which was conducted at the headquarters of the Asian Development Bank last March 2000. Presentations of the development and use of environmental and social indicators by leading experts in the field and brainstorming on the future directions of the development and use of environmental and social indicators were conducted during the said workshop.

7. Advocacy, Publication and Dissemination of PEENRA Results

7.1. Exhibits

The project launched two exhibits during the year. The first was presented during the closing ceremonies of the Final Environment and Natural Resource Accounting Project (ENRAP) Conference of the Department of Environment and Natural Resources, held at the Manila Hotel from February 3 to February 4, while the second was during the International Workshop on Economic and Environmental Accounting held at the Westin Philippine Plaza from September 18 to 22, 2000. The exhibits featured a power point presentation of selected results of the estimation done by the project and the usual graphics with necessary captions.

During the International Workshop on Economic and Environment and Natural Resources, free copies of the Philippine Asset Accounts, Environmental Degradation due to Selected Economic Activities, the ENRA II pamphlets (English and Filipino versions), ENRA II brochure, Policy Uses of PSEEA, and the Framework for the Development of Environment Statistics in compact disc form were distributed to the participants. Also distributed for free were hard copies of

the different publications (excluding the Philippine Asset Accounts which is out stock) of the project and the Survey of Environmental Protection Expenditure questionnaire and its accompanying manual, Field Operations and Processing Manual.

Moreover, the PEENRA brochures and pamphlets were uploaded at the PEENRA websites. The country and the technical papers presented during the International Workshop are likewise ready for uploading.

7.2. Publication of the Book: *Environmental Degradation due to Selected Economic Activities*

After intensive activities on editing and lay outting, the Environmental Degradation due to Selected Economic Activities which was started during the ENRA subprogramme, was finally published. The studies covered: Agriculture, Fishery and Forestry specifically Upland Palay Farming, Intensive Shrimp Aquaculture, Hog Raising and Logging of Dipterocarp and Pine Forest; Manufacturing Industry specifically Tuna Canning Industry, Textile Industry, Leather Tanning Industry, Paint Manufacturing, Sugar milling, Cement Manufacturing and Petroleum Refining; Mining Industry focusing on Small Scale Gold Mining; Electricity Generation concentrating on fossil fuel-fired thermal power plants; and, Land Transport Services.

The book tackles the scope and coverage, the production processes, data sources, the methodology and the results of environmental accounting for each economic activity. To cater to the request of the increasing number of interested sectors in environmental accounting 1,000 copies were printed, of which the required budget was shared by UNDP and GOP funds.

Three other ENRA publications are on the press, namely: Environmental Accounting in the Philippines, Policy Uses of the Philippines System of integrated Economic and Environmental Accounting (PSEEA) authored by Glenn Marie Lange, and Environmental Protection Services (government and private).

7.3. User's Forum and Book Launching

As part of the advocacy program of the project, a users' forum cum book launching of the book "Environmental Degradation due to Selected Economic Activities" was launched last June 29, 2000 at the Sky top of Hotel Intercontinental Makati City. The objectives of the forum were to inform the general public about environmental accounting and also serve as a direct venue for the discussion and speedy resolution of problems and issues pertaining to the compilation of environmental accounts.

The forum was highlighted with the presentation of the concept, rationale, sources and estimation methods, policy uses and the Philippine experience in environmental and natural resources accounting. An added dimension to the forum was the presentation of ENRA conducted at the provincial level featuring the Palawan experience. The salient points of the book were also discussed during the forum.

A total of 49 participants attended the forum, classified into: 16 national government agencies, house of representatives and senate; 6 NGOs with environmental concern; 5 academic institutions including Development Academy of the Philippines; 4 international organizations (ESCAP, UNDP, JICA and USAID); 2 mass media (ABS-CBN news and RPN 9); and the Governor of Palawan, Salvador P. Socrates. Nine staff from the regional offices of NSCB also attended the forum.

The participants inputted some vital information regarding data sourcing e.g. data on climate change, vehicle emission, measurement of carbon sequestration potential of forest, etc. Some participants also suggested the inclusion of other industries e.g. small and medium enterprises in the estimation of accounts while a biodiversity specialist enlightened the group on how to account for biodiversity.

With the multi-sectoral audience attending the forum, a plus factor of which is the media coverage, it can be said that a milestone has been reached with regards to advocacy work of the ENRA II project.

All participants were given a copy of the book while 40 copies of the book in compact disc were allocated per agency.

8. DATABASE DEVELOPMENT/SUPPORT

8.1. PEENRA Information System

The database information system of PEENRA has been installed in the computers given to the Mines and Geosciences Bureau (MGB) and Forest Management Bureau (FMB) of the Department of Environment and Natural Resources (DENR), and the National Water and Regulatory Board.

9. Monitoring and Evaluation

PEENRA project specialists and staff conducted consultation meetings with the pilot areas, Cordillera Administrative Region (CAR) and the province of Palawan last June and March respectively. Discussed in the meetings were the changes in methodology of selected sectors/economic activities and the finalization of the proposal for the institutionalization of ENRA at CAR. The different technical working groups coming from different agencies working on the various resources/activities attended the said meetings.

To update UNDP and NEDA about the project, NSCB and PEENRA staff met with representatives of the said agencies on three occasions. Problems and issues with regards to the pilot region (Region 7), institutionalization of ENRA, the limitation of funds for the conduct of the international workshop, etc. were also discussed during the meetings.

II. REGIONAL/PROVINCIAL LEVELS

For the year 2000, the project focused on the two functioning pilot areas: Cordillera Administrative Region (CAR) and the Province of Palawan. The regional office of NSCB is carrying out the project implementation in CAR. In Palawan, the Palawan Council for Sustainable Development Staff is ably assisting NSCB in the implementation of the project.

A. CORDILLERA ADMINISTRATIVE REGION (CAR)

The activities in the region focused on processing of the account estimations for the six resources and sectors namely: agriculture particularly on cabbage farming; forestry; land/soil; mineral/mining; manufacturing, particularly in semi-conductors; and, water. Moreover, the region was also active participant to the training/workshop conducted by the national office.

1. Training and Technical Assistance

1.1. National Workshop on PEENRA

Several members of ENRA-CAR participated in the National Workshop on PEENRA held last February 24-26. The issues, problems and resolutions that were discussed during the workshop were echoed to the different working groups in the region.

1.2. International Workshop Economic and Environmental Accounting (IWEEA)

Two (2) participants from the ENRA-CAR participated in the International Workshop conducted last 18-22 September 2000 held at Westin Philippine Plaza Hotel. In contribution to the topic on environmental accounting at the sub-national level, ENRA CAR presented their experience focusing on:

- a. The physical and monetary asset account of mineral resources centering on gold, copper and limestone (1990 –1998); and,
- b. Environmental degradation due to semi-conductor industry 1995 – 1998.

Furthermore, the need to institutionalize PEENRA at the sub-national level was emphasized by the presenters.

1.3. ENRA-CAR Write shop

Last November 2000, an in depth technical session was conducted. The different technical working groups discussed and threshed out problems in the compilation and computation of the accounts. Documented analyses of the different resource/economic accounts were also drafted.

1.4. Technical Workshop with NEDA CAR Staff

As requested by the different regional technical working groups (RTWGs), a technical session with the NEDA-CAR staff for the purpose of firming up the initial results and analysis of their respective accounts prior to the conduct of a forum with the regional planers was conducted last December.

The technical workshop with NEDA operationalized its responsibilities as provided in the Memorandum of Agreement, to wit: take lead in the analysis of the regional PEENRA results for planning and policy uses; identification of special studies and research in support of policy development related to the regional PEENRA accounts and in establishing mechanisms for the integration of environmental considerations concerning regional planning, project development and implementation based on the PEENRA results.

2. Maintenance of the Framework/Compilation of the Accounts

The different asset and activity account estimations have been drafted and presented to a forum with the National Economic and Development Authority (NEDA) for possible policy application. The following asset and activity accounts were estimated:

Asset Account	Coverage
Forest	
Physical and Monetary Estimates of Old and Secondary Growth Dipterocarp Forest	1990 - 1998
Physical and Monetary Estimates of Pine Forest	1990 - 1998
Land/Soil	
Physical and Monetary Estimates of Land devoted to Agricultural Uses	1990 - 1998
Mineral/Mining	
Physical and Monetary Estimates of Mineral particularly	
Copper	1989 – 1990
Gold	1990 – 1998
Limestone	1989 – 1998
Water	
Physical Estimates of Surface and Groundwater	1993 – 1998

Activity Account	
Agriculture	
Physical and Monetary Estimates of Cabbage Farming	1988 – 1997
Manufacturing	
Physical and Monetary Estimates of Semiconductor Industry (the case of Texas Instruments, Phil. Inc.)	1995 – 1997

3. ON THE IMPLEMENTATION OF THE EXECUTIVE ORDER (EO) NUMBER 406

The Memorandum of Agreement formalizing the existing working arrangements and enjoining all agencies concerned to maintain and develop the environmental accounts even after the project's life term was signed by the regional directors and representatives of the Department of Environment and Natural Resources-CAR (DENR-CAR), National Economic and Development Authority-CAR (NEDA-CAR), Department of Agriculture-CAR (DA-CAR), Bureau of Agricultural Statistics (BAS), National Irrigation Administration (NIA) and NSCB.

Moreover, a resolution endorsing projects to institutionalize the Philippine System of Economic Environmental and Natural Resources Accounting in the Cordillera Administrative Region was drafted by NSCB RU-CAR. This was presented to and approved by the Regional Development Council (CDC) last June 22, 2000. The said resolution was endorsed by the CDC to the Hon. Secretary Antonio H. Cerilles of the DENR, Director Horacio Ramos of the Mines and Geo-Sciences Bureau and Secretary General Romulo A. Virola of NSCB for them to include the projects into the respective agencies' Year 2001 budget proposal.

4. Consultation Meeting with National PEENRA Staff

The preliminary estimates were presented to the PEENRA specialist/staff during the consultation meeting last June 2, 2000. Problems and issues of the different resources were resolved during the meeting. The technical working group on forest resource, for example, decided to adopt the pre-PEENRA national workshop framework while the technical working groups on water, mineral and manufacturing resources/sector were able to thresh out problem areas for the computation of the physical accounts and monetary accounts.

The PEENRA database system was also installed during the consultation meeting.

B. PALAWAN

Activities for the year focused on the conduct of special studies and data processing in pursuance of the estimation of the different resources/activities accounts. In so doing, the pilot area finalized and presented the results of the account estimation to the different agencies in the province. The pilot area also participated in different workshops conducted by the national office.

1. Training and Technical Assistance

1.1. National Workshop

The members of the provincial technical working group of the pilot area and the Philippine Council for Sustainable Development Staff (PCSDS) participated in the PEENRA National Workshop last February 24 – 26, 2000. The pilot area presented the issues and problems that were encountered in the compilation of environmental accounts.

1.2. International Workshop on Environmental and Economic Accounting (IWEAA)

Three staff of the Palawan Council for Sustainable Development Staff (PCSDS) participated in the International Workshop on Economic and Environmental Accounting held last September 18 – 22, 2000 at the Westin Philippine Plaza.

A project staff presented the following asset accounts in the workshop:

- a. The physical and monetary accounts of land/soil Resources devoted to agricultural uses (1988 – 1998), forestlands (1988 – 1998), and built-up areas;
- b. Physical and monetary accounts of mineral resources with focus on nickel (1988 – 1998) and the physical account of sand and gravel; and,
- c. Physical accounts of surface and groundwater resources covering the years 1988 to 1996.

The implementation issues and constraints in the compilation of environmental accounting exercise were also presented.

2. Data Generation and Improvement

Various data processing were undertaken for the following resources:

Fishery	Processing of data on licenses and permits from Coastguard, MARINA and BFAR.
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Forestry	Segregation of data from DENR-CENRO and Municipal Planning and Development Office.
Land/Soil	Desegregation of government lands from the Municipal Assessor's Office.
Mineral	Processing of data on Sand and Gravel Reserve.

A special study on groundwater in the different municipalities in the province was also undertaken during the year.

3. Maintenance of the Framework/Compilation of the Accounts

Different Asset and activity account estimations have been finalized and presented to a forum attended by different agencies of the province. The following asset and activity accounts were estimated:

Account	Coverage
Asset	
Forestry resource	
Physical and Monetary Estimates of Dipterocarp (Old Growth and Second Growth) Forest	1988 - 1998
Physical and Monetary Estimates of Mangrove Forest	1988 - 1998
Physical and Monetary Estimates of Rattan	1988 - 1998
Land/soil resource	
The Physical and Monetary Estimates of Land/Soil Resources devoted to agricultural uses	1988 – 1998
The Physical and Monetary Estimates of Land/Soil Resources devoted to Forestlands	1988 – 1998
The Physical and Monetary Estimates of Land/Soil Resources devoted to Built-up Areas;	1988 – 1998
Fishery resource	
Physical and Monetary Estimates of Municipal Fishing and Commercial Fishing (non-cultivated fish stock)	1988 –1998
Mineral/Mining	
Physical and Monetary Estimates of Mineral Resources with Focus on Nickel	1988 – 1998
Physical Estimates of Mineral Resources with focus on Sand and Gravel;	1988 – 1999
Water Resource	
Physical Estimates of Surface Water Resources	1988 - 1996.
Physical Estimates of Groundwater Resources	1980 – 1998
Wildlife resource	
Physical Estimates of Calamian and Mouse Deer	1988 -1999

Physical Estimates of Crocodile Resources	1989 - 1999
Activity	
Agriculture	
Physical and Monetary Estimates for Upland Palay Farming	1988 - 1998

4. Presentation of Results

4.3. USERS' FORUM

The Palawan experience in compiling environmental accounts was presented at the users' forum last June 29, 2000 at the Hotel Intercontinental Makati City. The presentation highlighted the activity of the project on forestry, fishery, land/soil, mineral, water and biodiversity/wildlife resources as well as the institutional arrangement of the project activities in the province. The activity provided further improvement of the estimates on raised comments and issues made by the users and some from source agencies. The late Governor Salvador P. Socrates attended the forum and gave his insights on environmental accounting vis-à-vis Palawan socio-economic and environmental situation as well as the necessary moral support to PCSDS.

4.2. Provincial Write Shop

In the preparation of the finalization of the provincial accounts, the PCSDS and members of the different technical working group conducted its Provincial PEENRA Write shop last November 28 to 29, 2000 at Puerto Princesa City, Palawan. The first documentation of the sources and methods used in the estimation of the accounts for all six resources has been prepared.

4.3. PRESENTATION OF RESULTS

The provincial PEENRA output was presented on December 27, 2000 to the Provincial Steering Committee and the NSCB staff. Included in the presentation were highlights of the estimation and recommendations on the data collection and suggestions on the compilation/estimation methodologies as well as some initial policy recommendations.

5. ON THE IMPLEMENTATION OF THE EXECUTIVE ORDER (EO) NUMBER 406

The Memorandum of Agreement (MOA) formalizing the commitments of various agencies towards the development of environmental accounts was signed on March 29, 2000. Participants include the late Governor Salvador P. Socrates,

members of the Provincial council, various agency heads and representatives and the NSCB monitoring team.

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