

# Country Presentation: **THE PHILIPPINES**

Environment and Natural Resources  
Accounts Division  
Macroeconomic Accounts Service

Training on Ecosystem Accounting in  
Support of the Sustainable Development  
Goals and Global Biodiversity Framework

8-11 September 2025

Jakarta, Indonesia



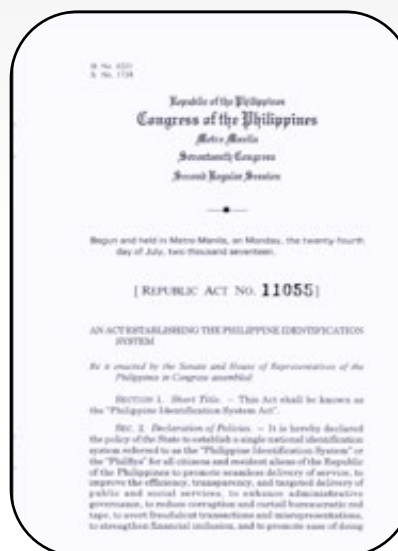
# Outline of the Presentation

- ❑ Policy Relevance
- ❑ Philippine Ecosystem and Natural Capital Accounting System (PENCAS) Act
- ❑ Land Asset Accounts
- ❑ Developmental Accounts

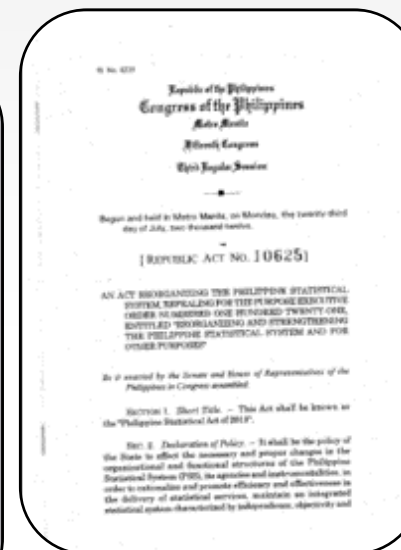


# About PSA

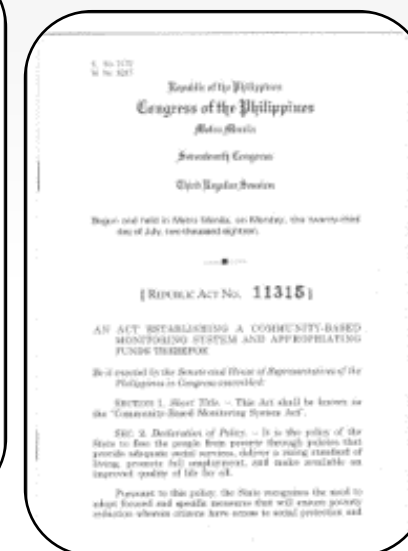
Responsible for the implementation of the objectives and provisions of:



**Republic Act No. 11055**  
*Philippine Identification System Act*



**Republic Act No. 10625**  
*Philippine Statistical Act of 2013*



**Republic Act No. 11315**  
*Community-Based Monitoring System Act*

# Policy Relevance



# The Philippine Ecosystem and Natural Capital Accounting System (PENCAS) Act

An Act institutionalizing the Philippine Ecosystem and Natural Capital Accounting System (PENCAS), **mandating its use in policy and decision-making, designating the agencies responsible** for its implementation, **providing institutional arrangements** among responsible agencies, and **appropriating funds** therefor.

S. No. 2439  
H. No. 8443

Republic of the Philippines  
Congress of the Philippines  
Metro Manila  
Nineteenth Congress  
Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fourth day of July, two thousand twenty-three.

[ REPUBLIC ACT NO. 11995 ]

AN ACT INSTITUTIONALIZING THE PHILIPPINE ECOSYSTEM AND NATURAL CAPITAL ACCOUNTING SYSTEM, MANDATING ITS USE IN POLICY AND DECISION-MAKING, DESIGNATING THE AGENCIES RESPONSIBLE FOR ITS IMPLEMENTATION, PROVIDING INSTITUTIONAL ARRANGEMENTS AMONG RESPONSIBLE AGENCIES, AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Ecosystem and Natural Capital Accounting System (PENCAS) Act”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to:

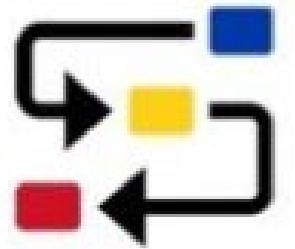
(a) Recognize natural ecosystems as an integral part of our patrimony and heritage;

# Philippine Ecosystem and Natural Capital Accounting System



The PENCAS shall be based on **internationally accepted environmental- economic accounting frameworks.**

The PENCAS framework shall include, among others, **a list of the officially designated statistics** on the **depletion, degradation, and restoration of natural capital**; **environmental protection expenditures**; **pollution and quality of land, air and water**; **environmental damages**; and **adjusted net savings**.





# Objectives of the PENCAS Act



- Support economic and environmental policy development and decision-making;



- Provide a system for the collection, compilation, and development of physical and natural capital accounts in the government as a tool for physical and development planning and programming, policy analysis, and decision-making;

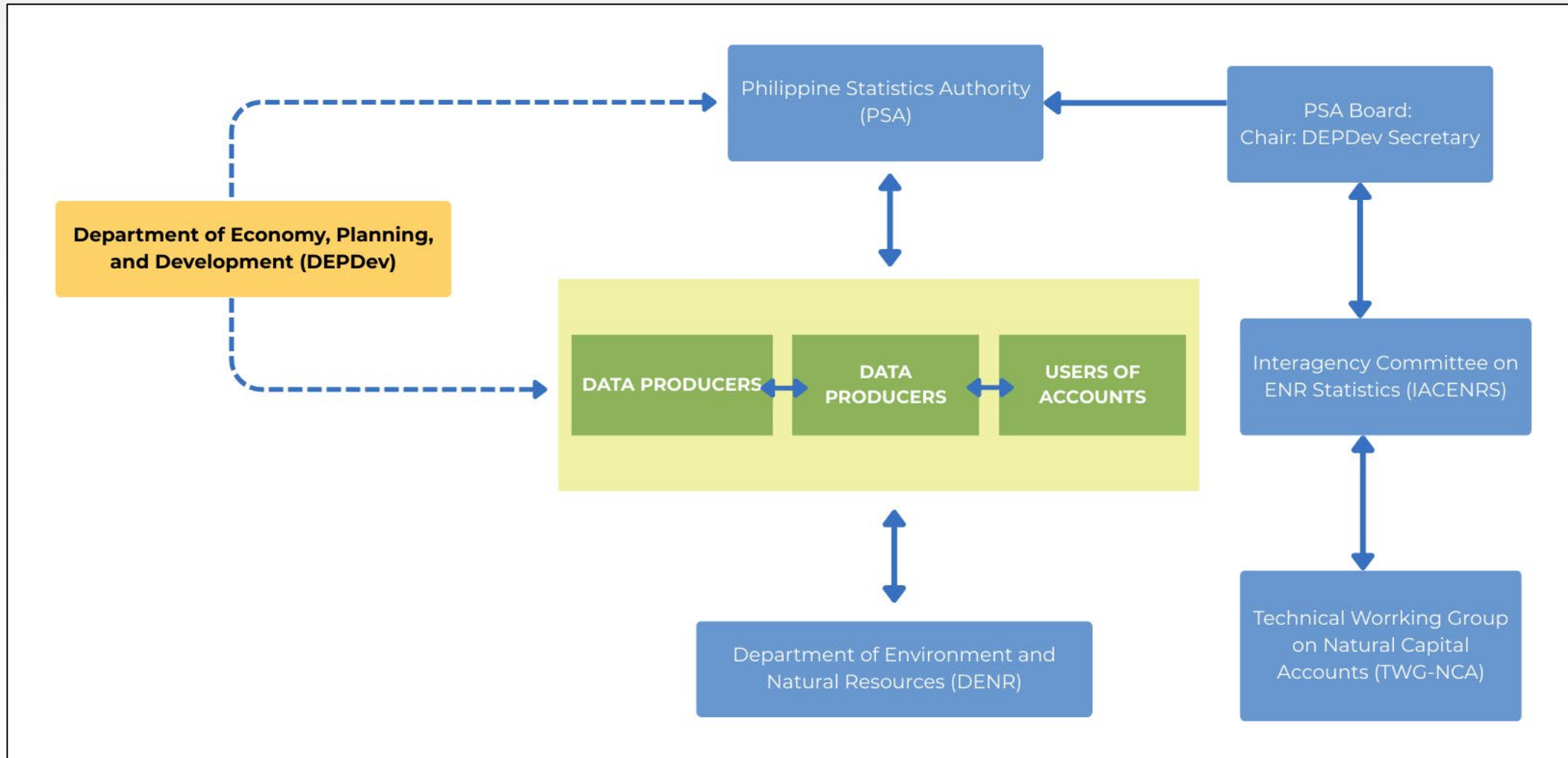
- Serve as a comprehensive data framework in the generation of natural capital statistics and accounts towards their progressive integration in macroeconomic indicators;

- Provide tools and measures that contribute to the protection, conservation, and restoration of ecosystems; and

- Provide valuation of ecosystem services such as provisioning, regulating and maintenance, and cultural services.



# Institutional Arrangement





# Institutional Arrangement



**Accounts Compiler**



**Data Producer**



**Policy Use and  
Mainstreaming**



**State  
Universities  
and Colleges  
(SUCs)**



**NCA Investments**

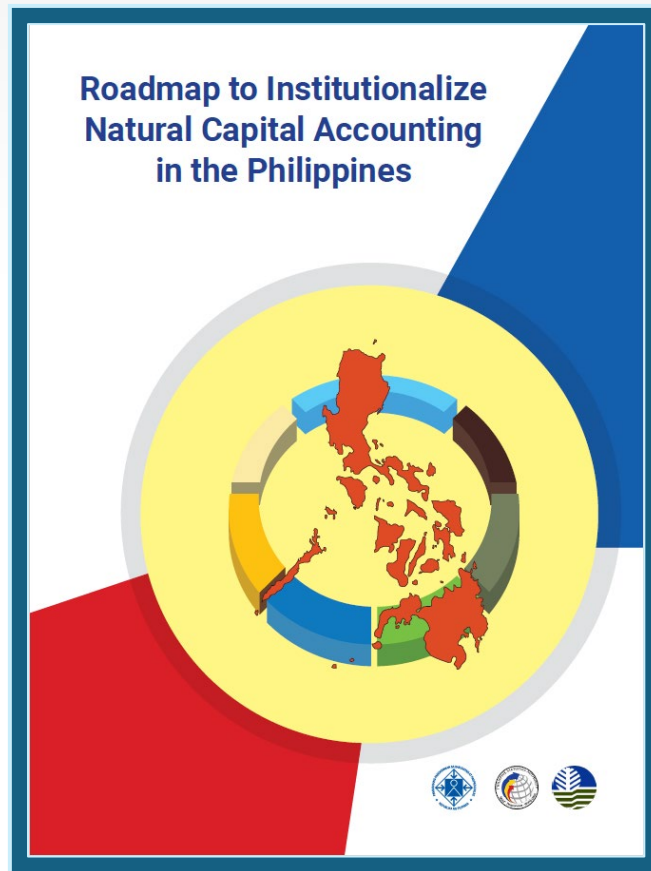


**Integrating PENCAS in  
their mandates**



**Capacitating the Citizenry**

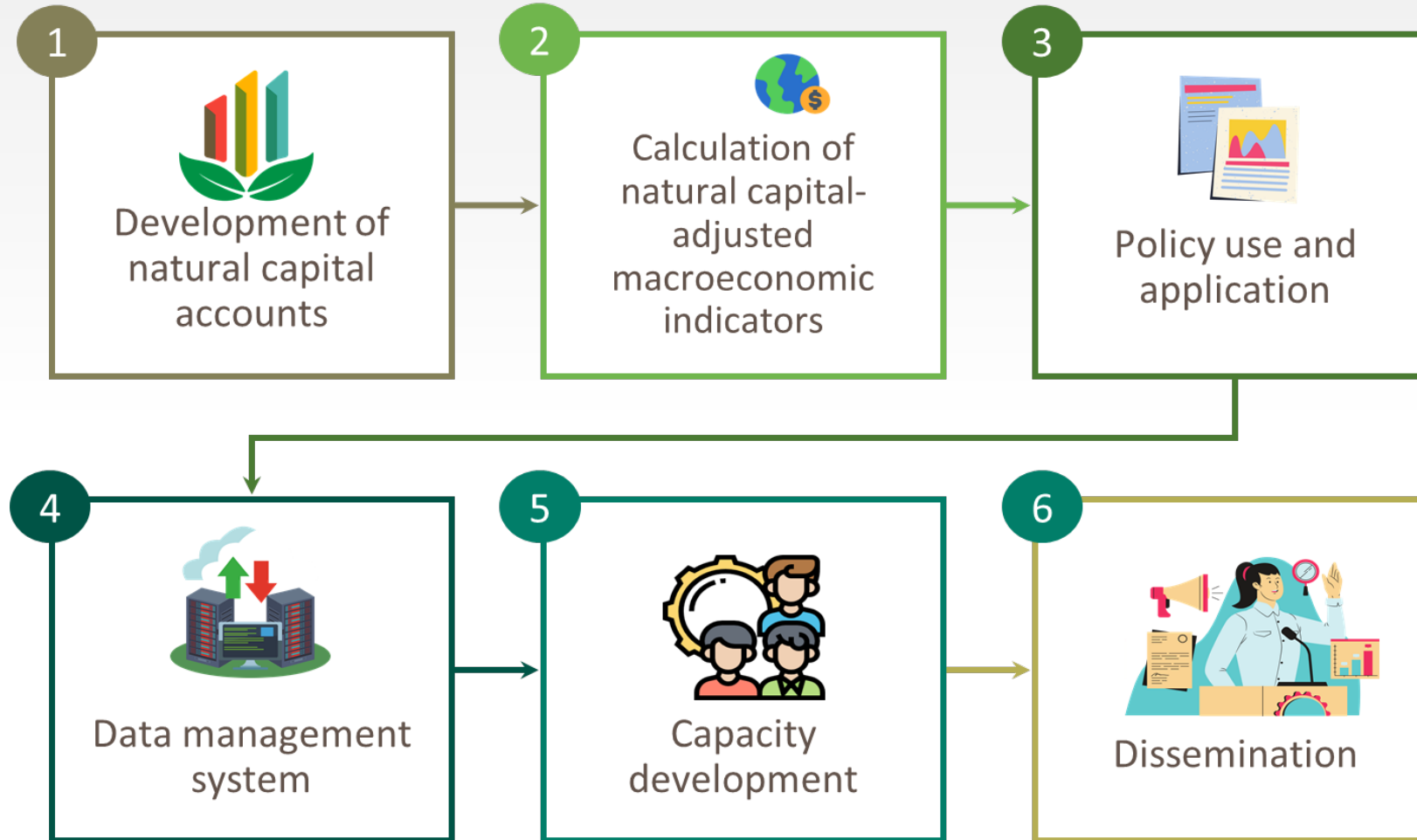
# Roadmap to Institutionalize Natural Capital Accounting in the Philippines



Aims to support the incorporation of natural capital accounts in the government system

- Including national economic accounting system
- As part of development planning and policy
- And decision-making processes.

# Six Components of the NCA Roadmap



**With targets and activities for:**  
2023 – 2028  
2029 – 2034  
2035 – 2040

# Component 1: Development of Accounts

Asset Account	Flow Accounts	Ecosystem Accounts
Mineral Asset Accounts	Energy Flow Accounts	Ecosystem extent accounts
Energy Asset Accounts	Water Flow Accounts	Ecosystem condition accounts
Water Asset Accounts	Material Flow Accounts	Ecosystem asset accounts (monetary)
Land Asset accounts	Emission Accounts (Water and Air)	Ecosystem services flow accounts
Soil Resources Asset Accounts		
Timber Asset accounts		
Biological resources		



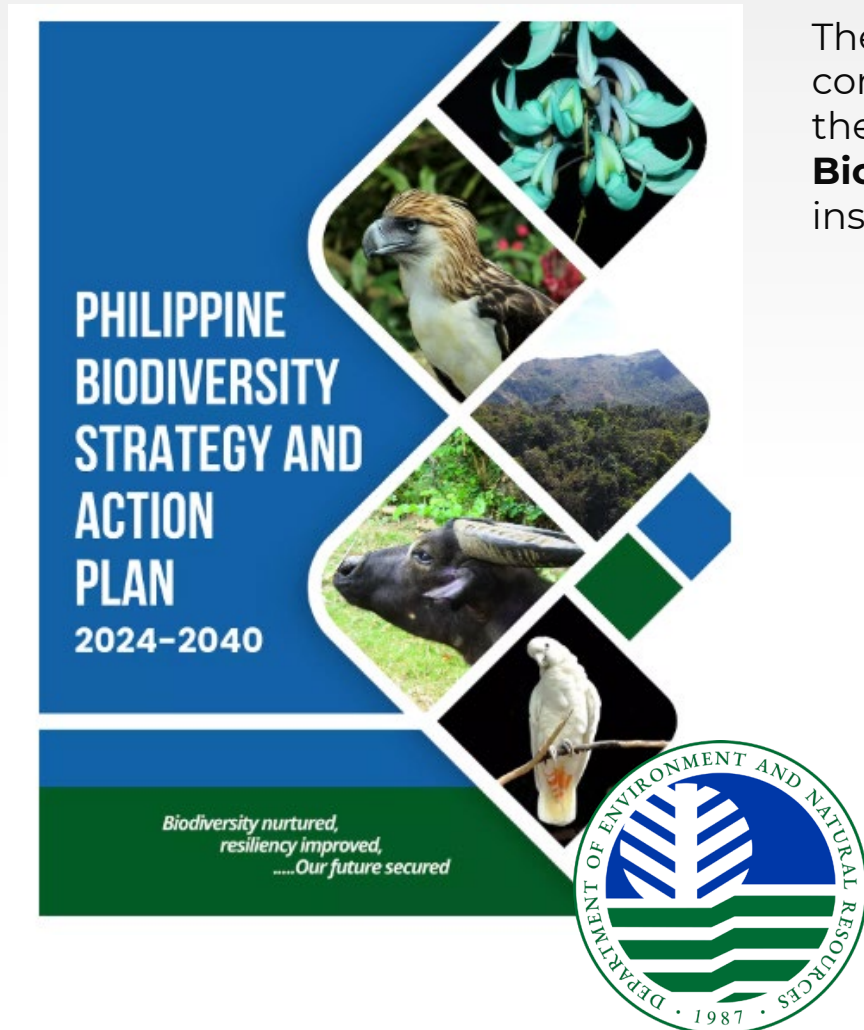
**PSA: Seven (7) individual environmental asset accounts and four (4) flow accounts** compiled both at the national and subnational levels following the UN SEEA Central Framework.



**DENR: ecosystem** following the Ecosystem framework.

**Site-specific accounts** the UN SEEA Accounting

# Philippine Biodiversity Strategy and Action Plan



The **Philippine Biodiversity Strategy and Action Plan (PBSAP)** is a comprehensive framework aimed at conserving and sustainably managing the Philippines' rich biodiversity. It aligns with the global **Convention on Biological Diversity (CBD)** and serves as the country's principal instrument for implementing the CBD at the national level.

## Key features of the PBSAP include:

- Assessment of Biodiversity Status:** It provides an overview of the current state of biodiversity in the Philippines, including trends and challenges.
- Integration with National Development:** The PBSAP is anchored in the Philippine Development Plan, ensuring that biodiversity conservation is part of the country's economic growth strategy.
- Policy and Governance:** It outlines policies, governance structures, and financing mechanisms to support biodiversity conservation.
- Strategic Actions:** The plan identifies nine priority strategies, such as protecting ecosystems, promoting sustainable use of resources, and enhancing public awareness.
- Stakeholder Involvement:** It emphasizes the role of local governments, communities, and various stakeholders in biodiversity conservation efforts.

# Compilation of **Land Asset Accounts** in the Philippines





# Land Cover Classes in the Philippines

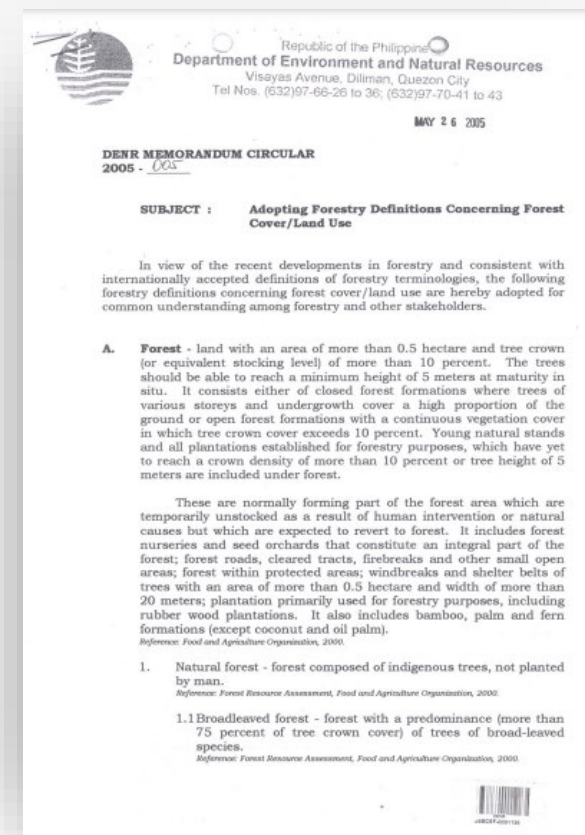
2003 (21 classes)	2010 (14 classes)	2015 (12 classes)
Closed forest, broadleaved	Closed Forest	Closed Forest
Closed forest, mixed		
Closed forest, coniferous		
Open Forest, broadleaved	Open Forest	Open Forest
Open Forest, mixed		
Open Forest, coniferous		
Forest Plantation, broadleaved	Closed or Open Forest	Closed or Open Forest
Forest Plantation, coniferous		
Mangrove Forest	Mangrove Forest	Mangrove Forest
Other wooded land, shrubs	Shrubs	Shrubs
Other wooded land, fallow	Fallow	
Other wooded land, wooded grassland	Wooded grass	
Other land, natural, grassland	Grassland	Grassland
Other land, cultivated, pastures	Pastures	Pastures
Other land, cultivated, annual crop	Annual Crop	Annual Crop
Other land, cultivated, perennial crop	Perennial Crop	Perennial Crop
Other land, natural, barren land	Open/Barren	Open/Barren
Other land, built-up area	Built-up	Built-up
Other land, natural, marshland	Marshland	Marshland
Other land, fishpond	Fishpond	Fishpond
Inland Water	Inland Water	Inland Water



# Land Cover Classes Bridge Table

AGG12 class	SEEA Class
<b>Built-up</b>	Artificial surfaces (including urban and associated areas)
<b>Grassland</b>	Grassland
<b>Annual crop</b>	Herbaceous Crops
<b>Fishpond</b>	Inland water bodies
<b>Inland water</b>	
<b>Mangrove forest</b>	Mangrove
<b>Brush/Shrubs</b>	Shrub covered areas
<b>Marshland/swamp</b>	Shrubs and/or herbaceous vegetation, aquatic or regularly flooded
<b>Open/barren</b>	Terrestrial barren land
<b>Open forest</b>	Tree covered areas
<b>Closed forest</b>	
<b>Perennial crop</b>	Woody crops

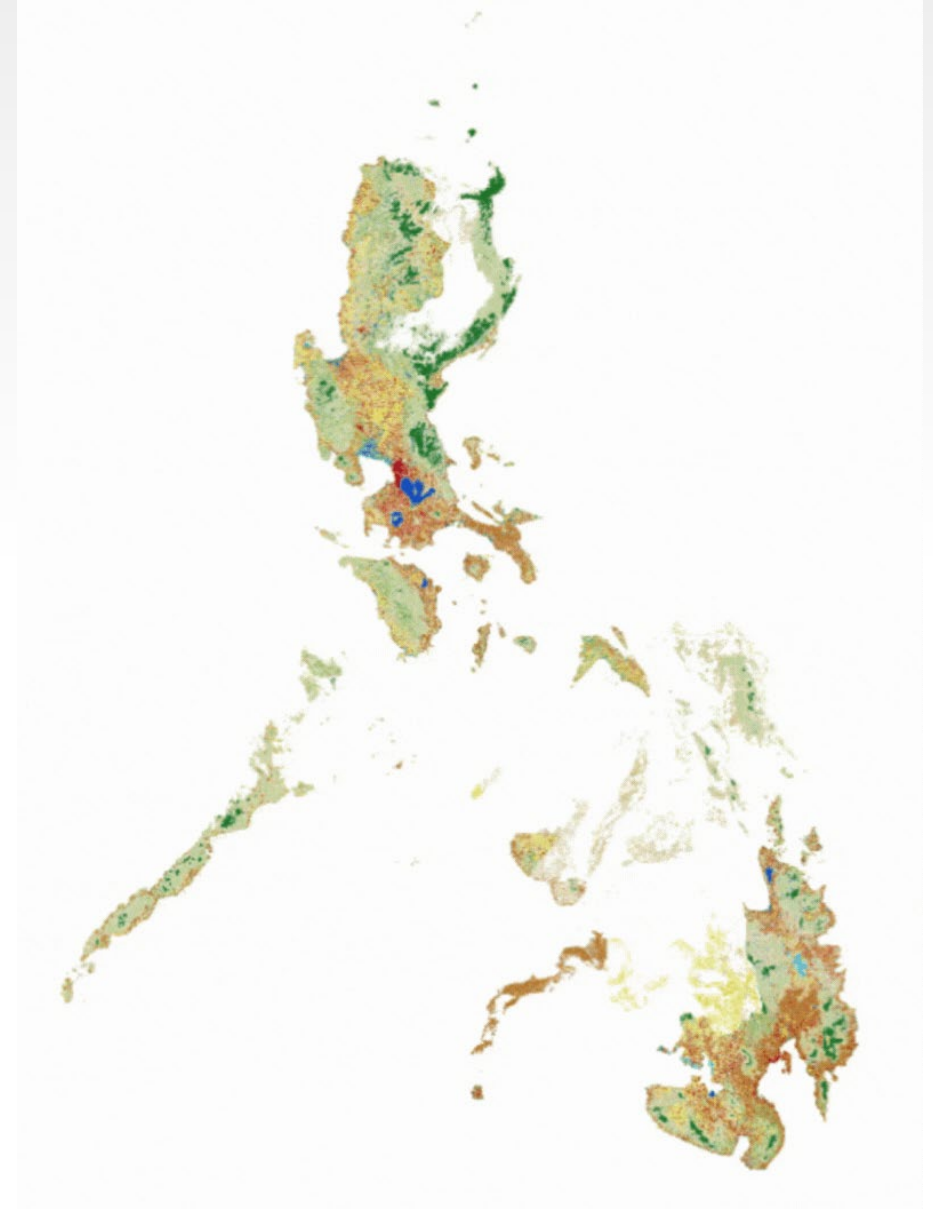
## DENR Memorandum Circular 2005-05



# Data Sources



- 2015 Land Cover
- 2020 Land Cover



# Physical Asset Accounts for Land Cover CY 2015-2020 (in hectares)

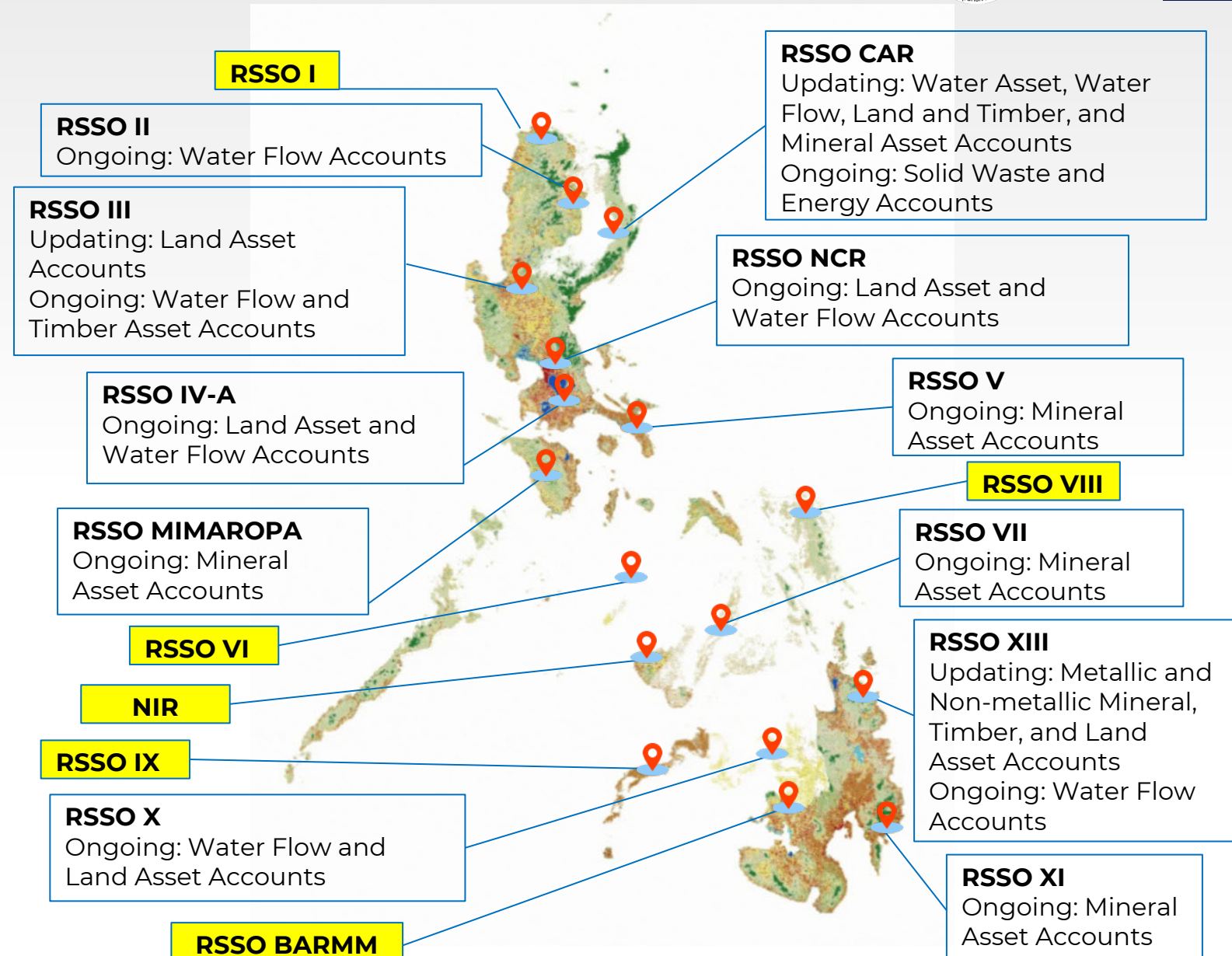
	Closed Forest	Open Forest	Mangrove forest	Brush/Shrubs	Open/Barren	Grassland	Marshland/ Swamp
<b>Opening stock of resources</b>	<b>2,031,660</b>	<b>4,689,677</b>	<b>302,811</b>	<b>6,030,260</b>	<b>121,372</b>	<b>1,961,059</b>	<b>139,966</b>
<b>Additions to stock</b>							
Total additions to stock	346,724	711,763	35,222	1,354,525	85,380	637,794	13,111
<b>Reductions in stock</b>							
Total reductions in stock	157,368	707,765	26,817	1,577,702	47,386	637,856	10,980
<b>Closing stock</b>	<b>2,221,016</b>	<b>4,693,675</b>	<b>311,216</b>	<b>5,807,083</b>	<b>159,367</b>	<b>1,960,997</b>	<b>142,097</b>

# Physical Asset Accounts for Land Cover CY 2015-2020 (in hectares)

	Annual Crop	Perennial Crop	Fishpond	Built-up	Inland Water	Sea and ocean
<b>Opening stock of resources</b>	<b>6,117,391</b>	<b>6,567,998</b>	<b>235,917</b>	<b>850,249</b>	<b>510,813</b>	<b>29,194</b>
<b>Additions to stock</b>						
Total additions to stock	927,500	982,625	24,187	375,041	115,719	31,730
<b>Reductions in stock</b>						
Total reductions in stock	1,101,090	976,828	31,505	199,656	137,176	29,194
<b>Closing stock</b>	<b>5,943,801</b>	<b>6,573,795</b>	<b>228,598</b>	<b>1,025,634</b>	<b>489,357</b>	<b>31,730</b>

# Subnational Accounts

18  
regions



# Ongoing Development

- **Mangrove Asset Accounts**

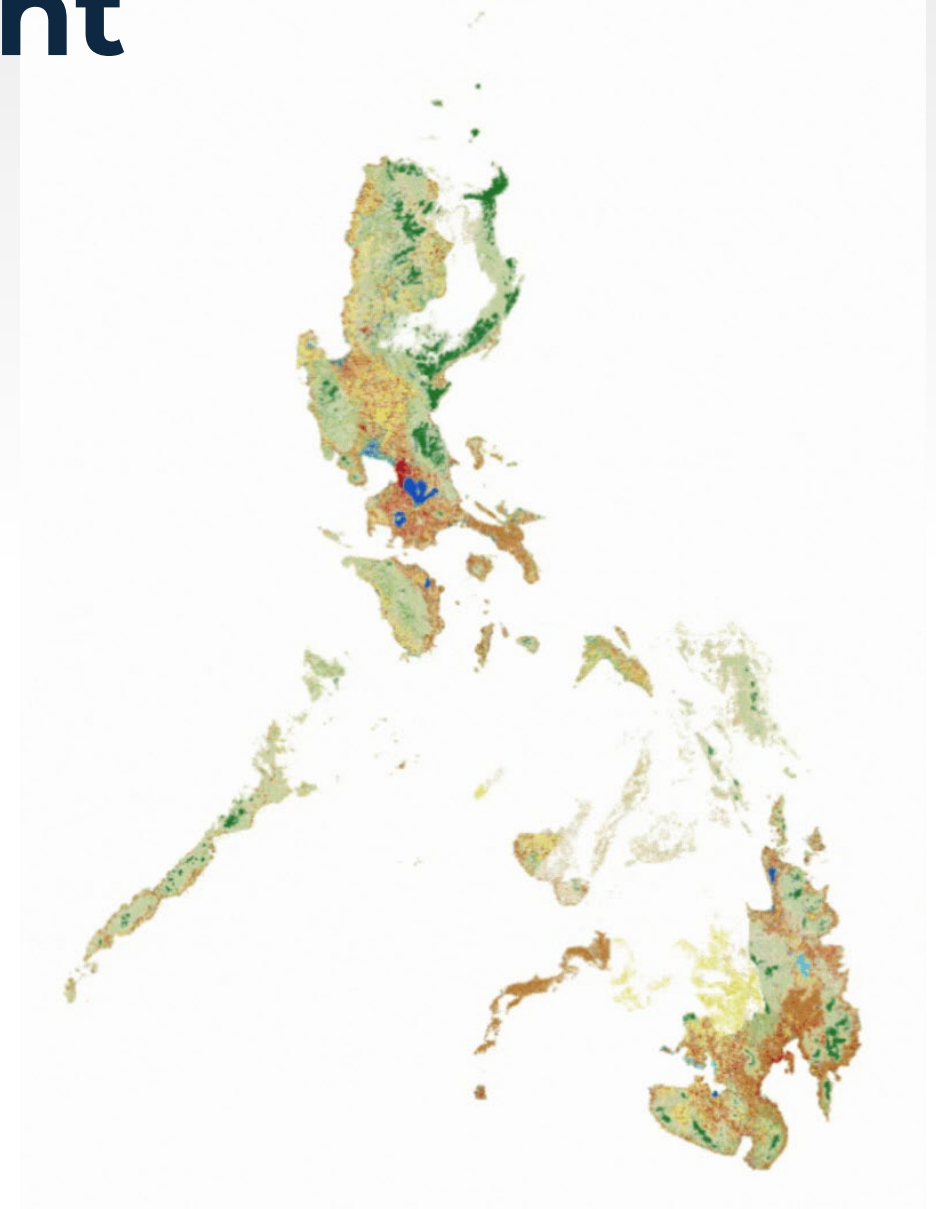
Ongoing development of the Mangrove Accounts of the Philippines which compiles Mangrove Extent. The initial compilation is set to be release this 2025.

- **Monetary Asset Accounts for Land**

The recent publication of the land asset accounts provides the essential foundation and data necessary to facilitate the subsequent development of Monetary Asset Accounts and ecosystem extent accounts.

- **Ecosystem Extent Accounts**

The recent publication of the land asset accounts provides the essential foundation and data necessary to facilitate the subsequent development of monetary asset accounts and Ecosystem Asset Accounts.







# Thank you

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