

CAR Asset Accounts for Timber Resources

by

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Overview

Introduction



Objective of the Study

Framework of the Study



Operational Framework

Results and Discussions



Recommendations



Introduction



Watershed cradle
North Luzon

46 forests & watersheds



Comprising
1,553,599 ha.

13 Major river basins



Drainage area: 18,293 ha.

Irrigate 68,623 ha.

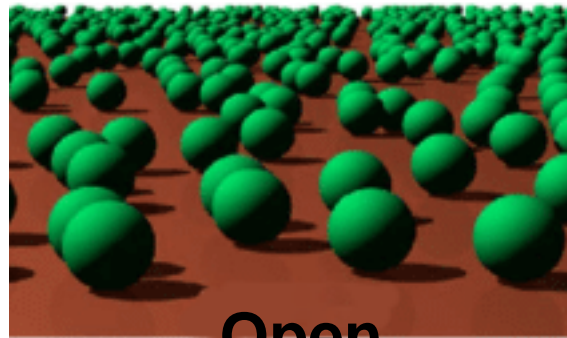


36.0% irrigable areas

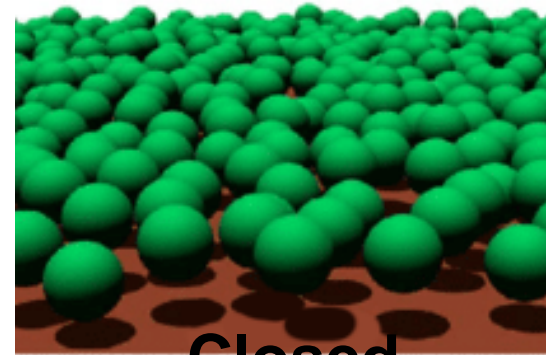
State of the Forest



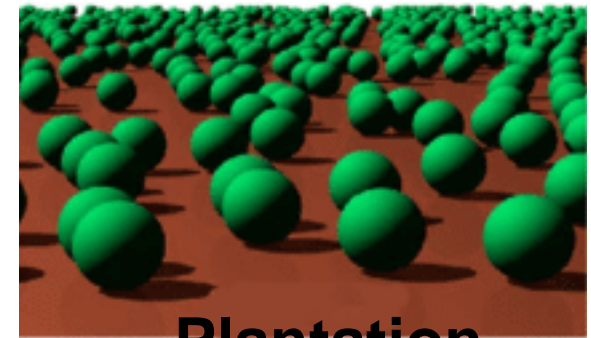
- ✦ 84.9% or 1.55 million ha is legally classified as forestland
 - ✦ Not all forestland have forested areas
- ✦ Only 46.8% or 856,765 ha. categorized as forest cover



Open



Closed



Plantation



Objective of the Study



General

- Support the institutionalization
- Strengthen data support

Specific

- Come up with the asset accounts
- Value the standing timber: constant and current prices
- Establish database
- Come up with recommendations

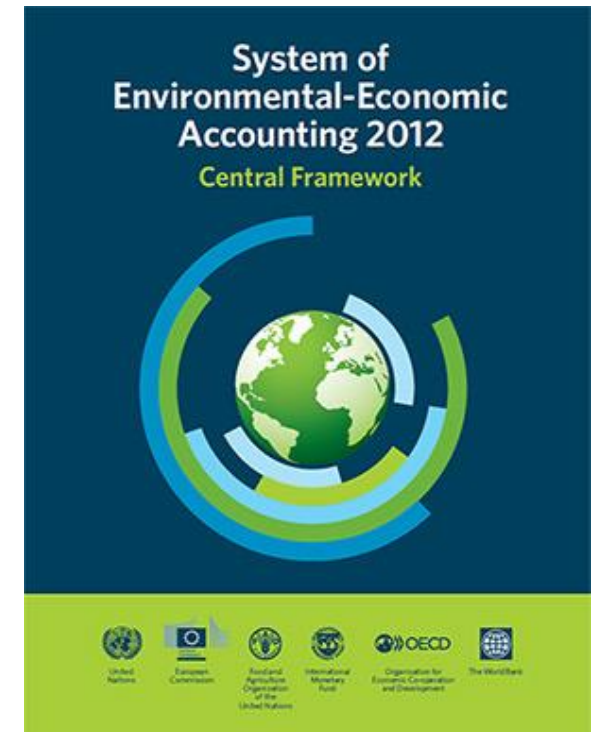




Framework of the Study

Data Limitations

- 2010 & 2015 Land cover were adjusted
- Additions to stock I limited only to afforestation/ reforestation
- Monetary asset account: at constant and current prices
- Reduction in stocks is limited only to removals and forest disturbances





Framework of the Study

Estimation Methodology

Physical Asset

Closing Stock = **Opening** + **Additions** - **Reductions**

$$\text{Closing Stock} = \text{Opening} + \text{Additions} - \text{Reductions}$$

Monetary asset

Constant Price = **Volume** × **Stumpage value of 1998**

$$\text{Constant Price} = \text{Volume} \times \text{Stumpage value of 1998}$$

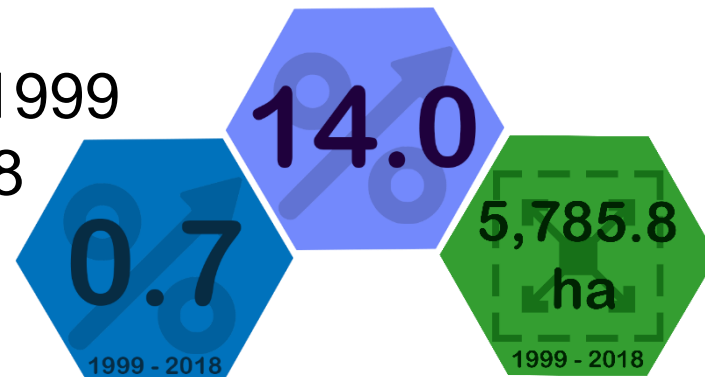
Current price = **Volume** × **Stumpage value * inflation rate**

$$\text{Current price} = \text{Volume} \times (\text{Stumpage value} \times \text{inflation rate})$$



Physical Asset Accounts – Area

From 787,665.8 ha in 1999
to 897,595.8 ha in 2018

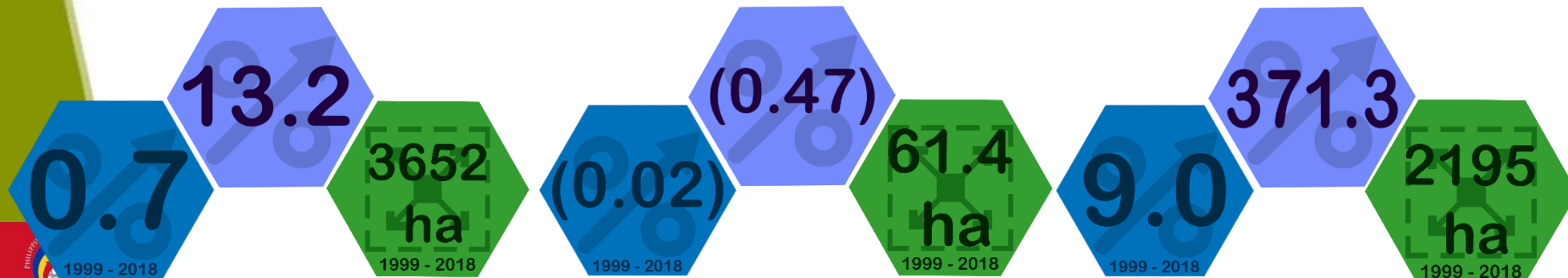


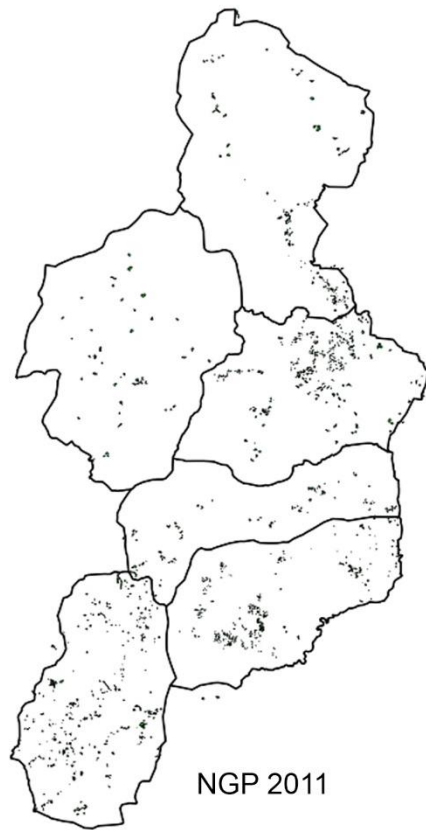
In 2018 tree-covered area estimated at
897,595.8 ha or **49.1%**

open forest
66.4%
526,411.0 ha to
595,791.5 ha

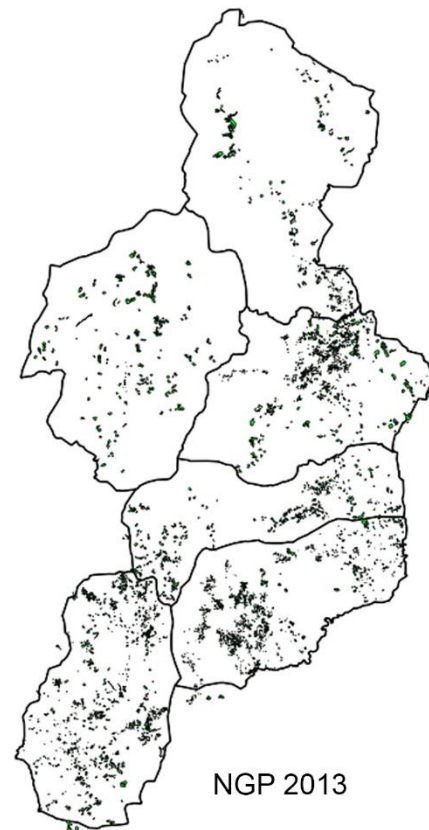
closed forest
27.7%
250,019.9 ha to
248,853.4 ha

plantation forest
4.7%
11,234.9 ha to
52,951.0 ha

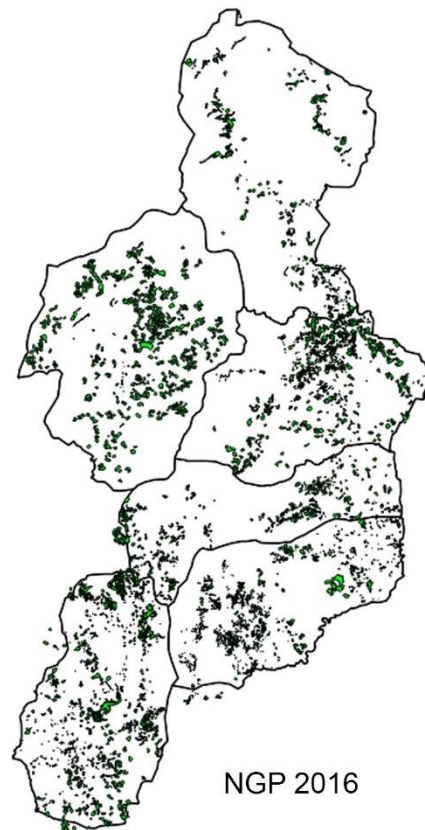




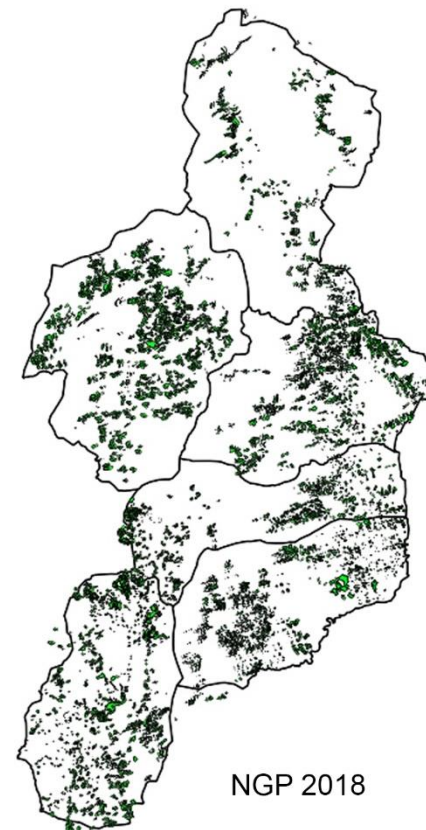
NGP 2011



NGP 2013



NGP 2016



NGP 2018



Results and Discussion

Monetary Asset Accounts at Constant Prices

Value of standing timber from P158.4 billion in 1999 to P180.3 billion 2018
annual average growth of **0.7%** **P1.1** billion yearly increment

at Current Prices

Value of standing timber from P204.4 billion in 1999 to P483.8 billion in 2018 increase
annual average increase of **4.7%** **P14.7** billion yearly increase

Recommendations



- ✿ Standardize local terms and definitions in accordance to international standards
- ✿ Further improve the region's current pool of data on forest resources for better timber resources accounting
- ✿ Conduct of forest resource-related studies
- ✿ Link timber resources accounts to the estimation of forestry sub-industry of the Agriculture, Hunting, Forestry and Fishing (AHFF) of the Gross Regional Domestic Product (GRDP) of CAR

Agyaman!

