Strengthening Statistics for Measuring the Sustainability of Tourism in the Philippines

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Outline of Presentation

1. Philippine Economy and Tourism
2. National Tourism Agenda
3. Philippine Pilot MST and Tourism Satellite Accounts
4. 2019 and 2020 Report of Tourism Industry
5. Ways Forward
The Philippine economy remained strong before the Pandemic at 6.1% growth in 2019. In 2020, this declined to -9.6 percent; a contraction of Php 1.9 trillion pesos.
Tourism was valued at PhP 973.3 billion in 2020, declined by -61.2% from 2019.

\[ \text{Tourism} \]

Before Covid-19 Pandemic, 2000-2019

- In 2019, Tourism contributed 12.8% to the economy but declined to 5.4% in 2020.
# The Philippine Economy & Tourism

## Before Covid-19 Pandemic

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Products</td>
<td>1,532</td>
<td>1,532</td>
</tr>
<tr>
<td>INBOUND Tourism</td>
<td>600</td>
<td>304</td>
</tr>
<tr>
<td>Other exports of goods</td>
<td>398</td>
<td>215</td>
</tr>
<tr>
<td>Agricultural products</td>
<td>246</td>
<td>133</td>
</tr>
<tr>
<td>Machinery and transport</td>
<td>140</td>
<td>104</td>
</tr>
<tr>
<td>Ignition wiring sets</td>
<td>115</td>
<td>87</td>
</tr>
<tr>
<td>Metal components</td>
<td>89</td>
<td>72</td>
</tr>
</tbody>
</table>

## Exports

- **Metal components**: 89
- **Ignition wiring sets**: 115
- **Machinery and transport**: 140
- **Agricultural products**: 246
- **INBOUND TOURISM**: 600
- **Other exports of goods**: 398
- **Electronic Products**: 1,532

## During the Covid-19 Pandemic

- **Metal components**: 72
- **Ignition wiring sets**: 87
- **Machinery and transport**: 104
- **Agricultural products**: 133
- **INBOUND TOURISM**: 304
- **Other exports of goods**: 215
- **Electronic Products**: 1,532

In Exports, INBOUND TOURISM ranked 2<sup>nd</sup> in 2019; & 4<sup>th</sup> in 2020.
The Philippine National Agenda on Tourism

As National Policy, **TOURISM is recognized as an ENGINE of INVESTMENT, EMPLOYMENT, GROWTH and NATIONAL DEVELOPMENT as indicated in the government’s planning frameworks.**

**Tourism Act of 2009, Philippines**

**Sustainable Development Agenda 2030**

**Ambisyon Natin 2040 (Long-Term Vision)**
As National Policy, **TOURISM is recognized as an ENGINE of INVESTMENT, EMPLOYMENT, GROWTH and NATIONAL DEVELOPMENT** as indicated in the government’s planning frameworks.

Implement National Tourism Development Plan; Increase market share on international tourism, etc.

Tourism related services identified as among the nine priority sectors to meet the Long-Term Vision for 2040

**Tourism Act of 2009, Philippines**
Target 8.9 – by 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

Target 12.b – develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs, promotes local culture and products.

- Adjust current 8.9.2 indicator by “Number of Employees in the tourism Industries” (social indicator)
- Add indicator 8.9.3 “Energy use in the tourism industries” (environmental indicator based on the SEEA and TSA)
SUSTAINABLE TOURISM DEVELOPMENT is integral to the national socioeconomic development efforts to improve the quality of life of the Filipino people. Department of Tourism (DOT)

DOT supports Coron’s sustainable tourism development to bounce back
- Thursday, March 4, 2021

DOT Aims for Data-Driven Response to Tourism Recovery Under New Normal with Survey Manila December 1 2020

DOT welcomes ASEAN as a single tourism destination
- Friday, February 5, 2021

DOT: 3,000 Boracay tourism workers to receive Covid vax
Wednesday, July 7, 2021
The Pilot MST & the Phil Tourism Satellite Accounts

Statistical Frameworks and its Linkages

Measuring Sustainability of Tourism

Start: 16th International Conference on MST
Manila, Philippines, June 22-23, 2017
The Pilot MST & the Phil Tourism Satellite Accounts

What is takes to have the MST and the PTSA?

1988
Research study on the contribution of tourism to the Philippine economy

1997
Creation of the Inter-Agency Committee on the Development of Satellite Account on Tourism in the Philippines

1999
Initial compilation of Philippine Tourism Satellite Accounts (PTSA) estimates: 1994 and 1998 PTSA estimates

2005
Approval and adoption of Philippine Tourism Statistical Classification System (PTSCS)

2009
Approval of methodology for compiling the PTSA

2011
Official release of PTSA covering the period 2000 to 2010

2016
Approval and adoption of PTSCS

2020
Release of the Revised Series 2000 to 2018 and Table on Tourism Collective Consumption and Table on Tourism Gross Fixed Capital Formation

2021
Regular Conduct of Household Survey of Domestic Visitors per PSA Board Resolution No. 2021

Continues participation in Global and National Meetings, Conferences, Workshops
The Pilot MST & the Phil Tourism Satellite Accounts

MST: Philippine Initiatives

Hosted the 16th International Conference on MST;
Presentation of the MST Paper on Subnational Measurement of MST in the Philippines;
Presentation during the 18th Meeting of the UNWTO Committee on Statistics and Tourism Satellite Account;
Presentation of the MST paper entitled, “Towards the Development of Sustainable Tourism Indicators for the Philippines” during the 14th National Convention on Statistics (NCS);
UNWTO Webinar for the 2021 United Nations’ Statistical Commission (UNSC) Side Event

June 2017

Presentation during the 2nd Meeting of the Working Group of Experts on MST

Feb, 2018

Submission of MST estimates to UNWTO in 12 August 2020, which was included in the publication released in September 2020

Aug, 2020

Appreciation Training on MST by PSA Central Office, MIMAROPA (Palawan) & CAR Regional Office;
In-house Training of PSA on MST;
Presentations to Inter-agency Committee on Tourism Statistics

2018-2021

Mar, 2021

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3 The Pilot MST & the Phil Tourism Satellite Accounts

Philippine TSA Indicators

Inbound tourism expenditure
Domestic tourism expenditure
Outbound tourism expenditure
Internal tourism expenditure
Gross Value Added of Tourism Industries
Tourism Direct Gross Value Added
Employment in tourism industries
Tourism Gross Fixed Capital Formation
Tourism Collective Consumption

Arrivals, Length of Stay, Daily Expenses

Philippine MST Indicators

Water Consumption
Energy Consumption
Carbon Dioxide Emission

Supply and Use Data on:
- Total Production and Consumption
- Electricity
- Water
- Petroleum and other fuel products
- Solid Waste
The Pilot MST & the Phil Tourism Satellite Accounts

Methods:

1. Supply and Use – what are produced by industries, tourism industries are consumed by industries, households, government, tourist, etc; using the System of National Accounts Framework

Others:

Use of indicators – revenues, expenditures, etc.
Use of regular survey results – households, corporations, etc
The Pilot MST & the Phil Tourism Satellite Accounts

Methods: Tourism Industries / Products *

- Accommodation services for visitors
- Food and beverage serving services
- Transport services
- Entertainment and recreation services
- Travel agencies and other reservation services
- Country-specific Tourism characteristics services (shopping)
- Miscellaneous items (e.g. spa, foreign exchange, etc.)

*Based on TSA Framework and the 2016 Philippine Tourism Statistical Classification System (PTSCS)
The Pilot MST & the Phil Tourism Satellite Accounts

Coordination Mechanisms

- Philippine Statistical Development Program, 2018-2023
- Philippine Statistics Authority Board (highest policy making body on statistics)
- Interagency Committee on Tourism Statistics; Environment Accounts, etc.
- System of Designated Statistics (Executive Order 356)
- National Convention on Statistics; National Statistics Month
COVID-19 Pandemic significantly reduced the contribution of TOURISM to the Philippine Economy from 12.8% 2019 to 5.4 % in 2020!
In 2020, DOMESTIC TOURISM EXPENDITURES declined by -82.3%; OUTBOUND TOURISM also declined by -73.2%.
In 2020, most affected TOURISM INDUSTRIES were: (1) Transportation Services (39.1% share) and Entertainment and Recreation Services (15.9% share); both had shared 55.0% of the total tourism industries.
Employment in tourism industries declined by -18.1% in 2020

- About 4.7 million people are employed in tourism industries.
- About 12 for every 100 employment are in tourism industries.

2019-2020 Report of Tourism Industry

(in thousand persons)

- Growth Rate
- Levels

- 1.0 M loss

2019: 5,719.1

2020: 4,681.2

Employment in tourism industries declined by -18.1% in 2020.
Passenger Transport (39.9%) and Accommodation and food and beverage (31.4%) had the highest share in employment among tourism industries.
Tourism Gross Fixed Capital Formation declined by -28.8% in 2020; This shared 11.3% to total Gross Fixed Capital Formation.

- Tourism gross fixed capital formation amounted to PhP 430.7 billion in 2020.
Tourism Collective Consumption amounted to PhP 81.7 billion in 2020.
Among Tourism Industries, Accommodation Services had the highest water consumption of 79 % when compared to the combined water consumption of domestic tourism & inbound tourism.
Accommodation Services for Tourism consumed 49% of energy when compared to the total energy consumption of domestic & inbound tourism.
Domestic Tourism consumed more than 3/4ths of the total water consumption and total energy consumption. This recorded a consumption share of 79% and 78% of total water & energy, respectively.
For combined domestic tourism and inbound tourism, carbon dioxide emissions from petroleum consumption is higher from those emission for electricity consumption. On the average, the emission from petroleum is 8,041 Gg CO$_2$ while the emission from electricity is 4,272 Gg CO$_2$. 
Ways Forward

INTEGRATE MST WITH EXISTING ENVIRONMENT & ECOSYSTEM ACCOUNTS and EXPAND COVERAGE FOR BETTER ANALYSIS
1. To integrate the results of the MST with the available Environmental Accounts on water consumption, energy consumption, etc.

ADVOCACY OF MST TO USERS FOR POLICY DEVELOPMENT
2. To conduct Users Forum to create awareness and build knowledge among users to further the uses and applications of MST for policy development.
EXPLORE ALTERNATIVE DATA SOURCES TO ENHANCE MST COMPILATION

3. To study other data sources to supplement existing data used particularly on parameters and assumptions adopted in the present MST compilation.

BUILD CAPACITIES OF COMPILERS, DATA PRODUCERS AND DATA USERS OF MST.

4. To request technical assistance from UNWTO, etc for the conduct of country training by international experts on MST particularly for the Philippine Statistics Authority (as compiler of MST) and the Department of Tourism (as major producer and user of MST).