



Environmental-Economic Accounting

Environmental-economic accounting brings together economic and environmental information in a common framework to measure the contribution of the environment to the economy and the impact of the economy on the environment. By using common concepts, definitions and classifications, the SEEA provides a transparent information system for strategic planning and policy analysis which can be used to identify more sustainable paths of development.

Towards an international statistical standard in environmental-economic accounting and related statistics

The statistical community agreed that it was timely to mainstream environmental-economic accounting and related statistics within the national statistical system to respond to increasing policy demands.

To this end, the United Nations Statistical Commission decided to elevate the Handbook of National Accounting: Integrated Environmental and Economic Accounting (SEEA) to an international statistical standard.

The **revised SEEA** will be the statistical standard for environmental-economic accounting as the System of National Accounts is the statistical standard for economic accounts. It will provide an internationally agreed set of recommendations expressed in terms of concepts, definitions, classifications, accounting rules and standard tables in order to obtain international comparability of environmental-economic accounts and related statistics. The revised SEEA is designed for analysis, decision taking and policy-making, whatever the industrial structure or stage of economic development reached by a country uses.

The SEEA revision process has been launched under the management and supervision of the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEE). The London Group on Environmental Accounting plays an important role in solving the technical issues on the research agenda.

The revised SEEA will build upon its predecessors the SEEA-2003 and the SEEA-1993.

- In 1993 the United Nations published the Handbook of National Accounting: Integrated Environmental and Economic Accounting or **SEEA-1993**. As the discussion of concepts and methods had not come

to a final conclusion the SEEA-1993 was issued as an "interim" version.

- The **SEEA-2003** has been issued in 2003 by the United Nations, the European Commission, the International Monetary Fund, the Organization of Economic Cooperation and Development, and the World Bank. It represented a major step forward in the development of environmental-economic accounting but did not provide unique recommendations to several issues.

In support of the revised SEEA, a suite of publications is being developed. These include standards on specific resources or SEEA modules as well as international recommendations for basic statistics.

SEEA Water and International Recommendations on Water Statistics

The System of Environmental-Economic Accounting for Water (SEEA-W) provides a conceptual framework for organizing the hydrological and economic information in a coherent and consistent framework. The UN Statistical Commission at its thirty-eighth session in 2007 adopted the SEEA-W as an interim international statistical standard, recognizing significant demand from the users' community and encouraged its implementation in countries.

The International Recommendations for Water Statistics (IRWS) are being developed as part of the UNSD regular work programme to assist countries in the establishment and strengthening of an information system for water in support of Integrated Water Resources Management. In particular, the IRWS: (a) supports the collection, compilation and dissemination of internationally comparable water statistics in countries; (b) supports the implementation of the SEEA-W; and (c) provides the necessary information for deriving coherent and consistent indicators over time and across countries either directly from an agreed list of data items or resulting from the compilation of the SEEA-W. The IRWS is

therefore an integral component of the implementation strategy of the SEEAW.

SEEA Energy

The System of Environmental-Economic Accounting for Energy (SEEA-E) is currently being developed by UNSD in cooperation with the London Group on Environmental Accounting and under the direction of the UNCEEA. It will provide the international statistical standard for energy accounts as well as air emission accounts.

The SEEA-Energy will consist of agreed concepts, definitions, classifications and inter-related tables and accounts related to energy. It will also elaborate on the links between energy balances and energy accounts and of emission inventories and energy accounts.

The drafting of the SEEA-E will provide input in the revision of the SEEA and in particular in solving the list of issues related to energy accounts in the research agenda to elevate the SEEA to the level of an international statistical standard.

The drafting of the SEEA-E is fully coordinated with the drafting of the International Recommendation of Energy Statistics (IRES), which is also being drafted by UNSD in cooperation with the Oslo Group. IRES will cover a broad range of issues in energy statistics ranging from basic concepts, definitions and classifications to data sources, data compilation strategies, energy balances and dissemination. IRES will comply to the extent possible with the SEEA-E conceptual structure and data needs and the SEEA-E will develop its accounting standards on the basis of the IRES (e.g., using IRES definitions of data items and classifications of energy products and flows).

SEEA Material Flows

The System of Environmental-Economic Accounting for Material Flows (SEEA-MFA) is currently being developed by UNSD. It will consist of agreed concepts, definitions, classifications and inter-related tables and accounts for measuring material flows, including for example, domestic extraction, imports and exports, supply and use of products and the generation of waste and residuals.

In preparing the SEEA-MFA, UNSD is working in close cooperation with the London Group on Environmental Accounting, the Eurostat/EFTA Task Force on MFA which has updated its mandate to reflect this activity, the OECD Working Group on Environment Information and Outlooks which has contributed to the methodological

advancement of the MFA as well as other experts in NSOs and academia.

SEEA Fisheries

In 2005, the Handbook of National Accounting: Integrated Environmental and Economic Accounting for Fisheries (SEEA-F) was issued jointly by UNSD and the FAO Fisheries Department. The handbook is a manual of best practices and provides guidelines on environmental-economic accounting for capture fisheries and aquaculture and illustrates examples for the compilation of these accounts for selected countries.

UNCEEA

With the environmental-economic accounting becoming high on the international statistical agenda, the Statistical Commission at its thirty-sixth session in 2005 established the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEEA), a strategic body consisting of countries and international organizations.

The objectives of the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEEA) are to (a) mainstream environmental-economic accounting and related statistics; (b) elevate the SEEA to an international statistical standard by 2010; and (c) advance the SEEA implementation in countries.

The UNCEEA is chaired by Mr. Peter Harper, Deputy Australian Statistician, Australian Bureau of Statistics. UNSD serves as its permanent Secretariat. The UNCEEA has also established a Bureau consisting of senior statisticians, to assist the UNCEEA with the oversight and day-to-day management of the projects under its responsibility.

One of the projects under the management of the UNCEEA is the revision of the SEEA and its elevation to an international statistical standard.

London Group on Environmental Accounting

The London Group on Environmental Accounting is contributing to the revision of the SEEA by addressing the technical issues on the research agenda. It is chaired by Mark de Haan, Statistics Netherlands.

The London Group is a city group established by the United Nations Statistical Commission in 1994 to allow practitioners to share their experience of developing and implementing environmental accounts linked to the economic accounts of the System of National Accounts. It convened its first meeting in March 1994 in London, England. The London Group on Environmental Accounting has played over the years a

leading role in advancing the methodologies on environmental-economic accounting

Global Assessment

To assess the status of the implementation of the environment statistics and environmental-economic accounting programmes in countries and the role of NSOs in these programmes, UNSD launched a global assessment under the auspices of the UNCEEA.

The Global Assessment of Environment Statistics and Environmental-Economic Accounting was carried out in two phases. Phase 1 was conducted in 2006 to obtain a general overview of the status of the implementation and scope of environment statistics and environmental-economic accounting programmes in countries and Phase 2 is being conducted for selected resources or modules to obtain an in-depth understanding of country practices.

The Global Assessment Phase 1 indicated that considerable number of countries — about half of the countries that responded to the assessment (49 countries) — have an environmental-economic accounting programme. This is noteworthy considering that environmental-economic accounting is a relatively new area of statistics. In addition, about 20 countries which are not currently compiling environmental-economic accounts indicated that they are planning to start with their compilation in the near future.

Phase 2 of the Global Assessment of Energy Statistics and Balances was carried out in 2007. The modules on energy accounts and on water statistics and accounts have been carried out in 2008 and the results are available as background documents to the fortieth Session of the Statistical Commission in February 2009.

The Global Assessment of Water Accounts indicated that the number of countries compiling water accounts has risen to 33 (from 22 in 2006) with additional 14 countries indicating that they have plans to implement them in the next two years.

The Global Assessment of Energy Accounts indicated an increasing interest in energy accounts (20 of the 38 responding countries are compiling energy accounts and 18 countries have indicated their plan to expand or start compiling energy accounts in the next two years. The Assessment also identified the lack of agreed methodology as one of the most pressing impeding factors in the implementation.

Dissemination

One of the tasks of the UNCEEA is to promote the SEEA within the statistical community as well as in the users' community. To this end, a web-based knowledge platform has been set-up

(<http://unstats.un.org/unsd/envaccounting/ceea>).

The platform features events and activities in the field of environmental accounting and a searchable archive of publications. The archive contains over 300 methodological publications and country practices on environmental-economic accounting with the aim of facilitating the work of statisticians, researchers and practitioners in the field.

The *SEEA News and Notes*, a newsletter that will serve as the official vehicle to widely disseminate on-going activities in environmental-economic accounting is also posted on the website.

To promote the SEEA and to facilitate communication with the users' community, a user-producer dialogue on water accounting for integrated water resource management was organized.

Technical assistance

UNSD has been involved in a number of activities to provide assistance to developing countries. As a result of the adoption of the SEEAW as a standard, the focus in recent years has been on the implementation of the SEEAW and the improvement of water statistics.

With the assistance of an Inter-regional Adviser, UNSD has provided regional training workshops in all regions bringing together statisticians and water experts

In addition, selected countries received assistance in developing and strengthening their programmes on water accounting and statistics. These included China, Dominican Republic, Oman, Mexico, Jordan, Lebanon, Namibia, and South Africa.

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