



ESA/STAT/AC.108

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

**Preliminary Meeting of the UN Committee on
Environmental-Economic Accounting
Two United Nations Plaza, Conference Room 23rd floor
New York, 29-31 August 2005**

OPENING STATEMENT

**Paul Cheung
Director
United Nations Statistics Division**

Dear Colleagues,

It is my pleasure to welcome you to the Preliminary Meeting of the United Nations Committee on Environmental-Economic Accounting. With the mandate of the Statistical Commission, we are embarking on a major initiative of the international statistical community to further the implementation of the environmental-economic information system as a statistical standard firmly aligned with the internationally recognised System of National Accounts (1993 SNA). Without any doubts, this system would meet the needs of users for a coherent and consistent data system which allows for environmental-economic analyses consistent with analyses of economic growth and distribution of income and wealth.

You may recall that the Statistical Commission at its 36th session in March 2005 endorsed the creation of the UN Committee on Environmental Economic Accounting and recognized its important role in mainstreaming environmental accounting and related statistics. In this context, this preliminary meeting has been organised to develop the long-term objectives, programme of work, terms of reference and governance structure for the Committee. Subsequently, the Terms of Reference recommended during this meeting will be submitted to the Bureau of the Statistical Commission for its approval.

Environmental-economic accounting has become a regular activity in many countries. Still for many others, it is a new and emerging area. Nevertheless, international consensus has emerged that it is the future reference information system for policy makers for integrated environment and related statistics, in the same way as the System of National Accounts is recognized as the information system for economic statistics.

Evidently, we have to move toward an international standard for the System of Environmental-Economic Accounts by incorporating the considerable methodological advances that have taken place since the release of the handbook on SEEA. Moreover, new issues have emerged in the policy context and the revision of international standards, such as the 1993 System of National Accounts and Balance of Payments (BPM5) have brought

about changes in the treatment of economic issues which have bearing on the environmental accounts. Such changes will have to be reflected in a revised SEEA in order to maintain consistency with the international standards.

In order to elevate the SEEA to the level of an international statistical standard, the Committee has to determine an agreed research agenda with clearly defined issues. I would like this Committee to consider releasing a standard on Environmental-Economic Accounting by 2010 or earlier, closely following the release of the 1993 SNA rev. 1 in 2008 and thereby reflecting their interrelatedness.

At the same time, it is important to measure and encourage the implementation of the SEEA for their relevant components in as many countries as possible. Advancing a critical mass of countries compiling selected modules of environmental accounting as part of their regular program of statistics will facilitate the adoption of the accounting framework as an international standard, enhance the international comparability of the output indicators, and promote the acceptance by the users community.

In this regard, UNSD plans to organize a users-producers dialogue on water accounts in early 2006 bringing together high-level representatives from national statistical offices and Water Ministries based on the handbook on water accounting. With the future endorsement by the Committee of additional manuals for energy, minerals, fisheries and other natural resources, similar dialogues will be organized by UNSD in cooperation with its partners.

To assess the current status of implementation, priorities and future plans, UNSD plan to initiate, under the auspices of the Committee, a scope and compliance questionnaire to assess the various levels of implementation by various resources as a standard practice similarly to the scope and compliance report on national accounts reported to the Statistical Commission.

Increasingly, it is recognized among national and international communities that the quality of environmental statistics would benefit from its application in an integrated

accounting framework. Indeed, the international discussion has moved beyond considerations whether environmental statistics should meet robust statistical checks and balances like economic statistics based on the 1993 SNA. Therefore, given the methodological advances in the area and the existing country experiences in implementation, the time is right to foster greater coordination with the existing groups in order to achieve an integrated information system to better meet the users' needs.

The Committee should play a key role in coordinating activities by various groups, some of which will be created under the aegis of the Committee, and others which already exist. We believe that it would be beneficial for the advancement of both environmental accounting and for the strengthening of basic environmental statistics programmes to bring all the different activities under a common umbrella so as to increase synergies. These groups include:

- a. The London Group. The Group should continue to be the technical expert body on which the Committee relies for recommendations on the resolutions of research issues to be determined by the Committee.
- b. The Inter-Secretariat Working Group on Environment Statistics. The Group will work with the Committee to harmonizing environment statistics and environmental accounting. UNSD strategy has been to firmly align environmental statistics with environmental accounting. In this regards, discussions about changing the UNSD/UNEP and OECD Eurostat questionnaires to reflect the water accounting needs are on-going.
- c. The Inter-Secretariat Working Group on Energy Statistics and the Oslo Group on Energy Statistics. The two Groups should work with the Committee to harmonize energy flow and asset statistics with the accounts.

In order to support the activities of the Committee, UNSD will establish a Trust Fund on Environmental-Economic Accounting and related statistics. UNSD is planning to seek funding from donors and international organizations.

If we would like to have the SEEA as a statistical standard by 2010, we have to capitalize on the present momentum to formulate a clear program of work within an agreed time schedule and established coordination mechanisms. If we succeed in reaching this major milestone by 2010, we have definitely moved environmental accounts and statistics in the realm of official statistics.

In closing, I would like to wish you success in the deliberations during the next three days and I am looking forward to the outcomes of this meeting.

Thank you for your attention.