# DEVELOPMENT OF A RAPID DIAGNOSTIC TOOL FOR THE SEEA CENTRAL FRAMEWORK

SECTION 2B: RAPID DIAGNOSTIC TOOL
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## WHAT IS SEEA?

Using statistical evidence to support national sustainability goals is an important objective of governance. However, providing that evidence in a way that is suitable, transparent and cost-effective is not a simple undertaking. In response to this need, the international community has produced the System of Environmental-Economic Accounting (SEEA[1]). This is a coherent and integrated measurement framework for organizing environmental data and applying it to sustainability and green economy decision-making.

Countries have different priorities. Their governments organize themselves and their statistical systems in different ways. Their capacities to produce and use statistical evidence vary. Therefore, implementing this framework requires a flexible and modular approach.

The objectives of development initiatives are often measured in terms of their short-term contribution to GDP. This important but solitary indicator does not take into account whether the initiatives are drawing down national wealth by depleting natural resources, damaging the health of the population or restricting their access to vital resources such as water and energy. Therefore, even if initiatives contribute to GDP, they may not be sustainable. Since SEEA links the economic, environmental and social statistics, it provides a broader accounting framework to understand the longer-term contribution of development initiatives.

Sustainability is inherently a concept that integrates economy, environment and society. SEEA provides a coherent and integrated framework for collecting, organizing, analysing, presenting environmental data and relating it to economic and social data. It adheres to the principles of the System of National Accounts (SNA), and expands its scope by:

- providing standard terminology, definitions and classifications for environment-economy statistics,
- including measures of the physical stocks of natural capital and their values,
- adding physical measures of flows of natural resources and residuals (land, metals and minerals, timber, energy, water, fish, air emissions, water emissions, solid waste), and
- linking these to economic activities (producers and consumers) and societal benefits.

Experience has shown that SEEA implementation works best when:

1. Producers and users of statistics collaborate to define their needs and opportunities,
2. Organizations are prepared to change the way they do things to provide better information and to use it effectively, and

[1] See: https://unstats.un.org/unsd/envaccounting/seea.asp.

3. Activities across sectors are well coordinated.

## WHAT IS THE PURPOSE OF THIS TOOL?

This Rapid Diagnostic Tool is an introduction to the SEEA Central Framework Implementation Strategy. The tool outlines a way to:

1. Document national priorities for sustainable development and green economy,
2. Identify the stakeholders including producers and users of statistics but also other groups that can benefit from improved information,
3. Identify key national data sources that can be used for environmental accounting,
4. Identify related statistical development activities that could benefit environmental accounting initiatives,
5. Understand what progress has already been made in environmental accounting,
6. Assess the constraints to understand the feasibility of specific SEEA accounts, and
7. Determine the priorities for action to develop selected SEEA accounts.

This is an initial step to strategic planning. We have designed it to be completed in a one-hour workshop setting with a small group of statistics producers and users. Perhaps not all questions can be answered in the first meeting. Furthermore, it is likely some of the items will need more detail. The international community has developed tools for these next stages: an Implementation Strategy, a full Diagnostic Tool, and a Communications Strategy.

## VISION/STATEMENT OF STRATEGY

### POLICY PRIORITIES

"*…green economy is broadly considered as the economy that ensures sustainable development and does not encourage environmental degradation.*" (Rio+20 Synthesis Report, 2012)

Although there are many different pathways for greening economies depending on national priorities and country contexts, elements common to many include low-carbon development and climate resilience, resource and energy efficiency, social equity and protection, poverty reduction, and decent green job creation.

SEEA can inform a variety of related objectives including:

1. **Improving access to services and resources:** these may include objectives such as reducing costs of water, energy and food; improving equitability or sustainability of resource exploitation; reducing resource consumption; promoting eco-tourism.
2. **Managing supply and demand:** these may include objectives such as managing water and energy; improving resource efficiency; improving the sustainability of production and consumption.
3. **Improving the state of the environment and reducing impacts:** these may include objectives such as reducing emissions and wastes; protecting ecosystems and biodiversity; managing protected areas and endangered species.
4. **Mitigating risks and adapting to extreme events:** these may include objectives such as adapting to climate change; reducing greenhouse gas emissions; compensation for environmental damages.

*Does your country already have a deliberate strategy that creates triple wins (good for the economy, society and the environment) and identifies the elements of inclusive, integrated green economy policies? If so, please summarize it here.*

*If not, perhaps you could draft a statement here based on your understanding of your national development strategy.*

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## EXAMPLES OF POLICIES AND PLANS THAT ADDRESS THE GREEN ECONOMY AND RELATED CHALLENGES FACED BY COUNTRIES (RIO+20 SYNTHESIS REPORT 2012)

- **Vietnam** has some well-developed green economy policy frameworks. The country's Green Growth Strategy aims to change economic growth patterns through economic restructuring, by encouraging the efficient utilization of natural resources, and by restricting or gradually phasing out industries that require extensive resources and pollute the environment. It calls for the development of technologies to efficiently use natural resources, reduce greenhouse gas emissions, and contribute to an effective response to climate change. It aims to improve people's living standards through job generation from green industry, agriculture, and services and improve quality of life through the development of green infrastructure and environmentally-friendly lifestyles.
- **Ethiopia** is one of the few countries that have an explicit policy framework based on the green economy concept. In 2011, it developed and adopted the Ethiopian Low-Carbon Resilient Green Economy Strategy. The Green Economy Strategy was developed through a consultative process led by the Office of the Prime Minister, the Environmental Protection Agency and the Ethiopian Development Research Institute. Its main objective is to identify and promote green economy opportunities that will help the country to achieve its ambition of becoming a middle-income country by 2025 while keeping greenhouse gas emissions low.
- In **Cambodia** the Ministry of Environment, with assistance from the Global Green Growth Institute of the Republic of Korea, has also taken on board the message of a green economy and has formulated a Green Growth Master Plan and Road Map. This has been approved by the government, but implementation has yet to begin. Moreover, the focus of the master plan is on the environment and economic growth, with little attention to social dimensions. This plan also lacks a strategic approach and looks at green growth as just another environmental response.
- **Senegal** has carried out some serious work on the potential of green job creation but has not developed a clear strategy on green economy as yet. A study carried out by ILO/UNDP/ENDA looked at those sectors that are likely to generate the largest number of green jobs in three of its regions. It came out that the energy, agriculture, forestry, construction, and waste management sectors provided the best opportunities. Additionally, its Economic and Social Development Strategy recognises the importance of creating green jobs in the rural regions. Interestingly, Senegal has already drawn up a National Action Plan for Sustainable Production and Consumption and is proposing energy audits in industries to help them reduce their carbon footprint.
- **Tanzania's** report indicates that different national policies have elements that promote a green economy (such as promotion of renewable energy, reduction of tariffs on solar power equipment to make it more affordable, use of energy-efficient appliances and equipment, efficient mass transit systems, cleaner production initiatives, and fuel switching to natural gas and other alternative energy sources), but no overarching green economy policy is in place. In addition, the report underscores in its recommendations that the *"green economy model should be transparent, participatory and should never be used as trade barrier, create technological dependence and/or aid conditionality for developing countries."*

## INSTITUTIONS

### STAKEHOLDERS

*Who are the main stakeholders in sustainable development and green economy policy?* This includes not only the **producers** of the data but also the potential **users** of the data and other interests that could benefit from improved information. Groups that may be considered include:

- Central government agencies
- Human, industry and economic government agencies
- Environment and natural resource government agencies
- Universities (specify institute or centre)
- NGOs and private industry associations

*It is also important to describe interdepartmental mechanisms, strategies and plans in place to make sustainability decisions.*

## KNOWLEDGE

### DATA SOURCES

*What are the main data sources and what is their availability and quality?* Depending on the priority, this could include:

- Emissions inventories (air, water, greenhouse gases, solid wastes, hazardous wastes)
- Water statistics (abstraction and use)
- Energy statistics (supply and use)
- Waste statistics (generation and disposition)
- Environmental statistics (for example, land cover; land use; air quality; water quality; access to water, sanitation and energy; participation in multilateral environmental agreements and environmental conventions)
- National accounts (natural resource inputs; expenditures on environmental protection ; environmental taxes)
- International trade statistics (transborder flows of natural resources, environmental goods and services, solid wastes)
- Business statistics (expenditures on environmental protection; environmental goods and services sector)
- Government finance statistics (expenditures on environmental protection; environmental taxes and subsidies)
- Other (e.g., administrative data, specific household or business surveys)

*Describe any key documents or research initiatives that are related to the priority sources identified.*

## PROGRESS

### EXISTING ACCOUNTS

*Are any SEEA accounts already being produced? Have any been prototyped in the past?*

The most common SEEA accounts include:

- Flow accounts
  - Supply and use for water (physical and monetary)
  - Supply and use for energy (physical and monetary)
  - Air emissions (physical)
  - Water emissions (physical)
  - Waste (physical)
  - Environmental protection expenditure accounts (EPEA) (monetary)
  - Resource use and management accounts (RUMEA) (monetary)
  - Environmental goods and services sector (EGSS) (monetary)
  - Environmentally-related payments to and by government (monetary)
- Asset accounts
  - Mineral and energy resources (physical and monetary)
  - Land cover (physical and monetary)
  - Soil resources (physical)
  - Timber resources (physical and monetary)
  - Aquatic resources (fish and crustaceans) (physical and monetary)
  - Water resources (physical)
- Experimental ecosystem accounts
  - Extent and quality of specific ecosystems such as forests, wetlands, grasslands, coastal zones, etc. (physical)
  - Physical flows of ecosystem services (physical)
  - Carbon stocks (physical)
  - Biodiversity (physical)

*Are there other activities focussed on statistical development (such as a National Statistical Development Strategy, SNA 2008 implementation strategy)?*

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## PRIORITIES

### PRIORITY ACCOUNTS

*Given the policy priorities, availability of knowledge and stakeholder interest, which SEEA accounts are of the highest priority for implementation?*

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## CONSTRAINTS

### FEASIBILITY

Of the priority accounts, what are the constraints to implementation? Some accounts may have few constraints and are ready to test. Others may require a combination of capacity building (training, guidance documents), data development (establishing or improving sources of data) and institutional coordination (establishing or changing mechanisms, establishing funding sources).

#### READY TO TEST

Account: _____

Constraints: _____

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#### NEED CAPACITY BUILDING

Account: _____

Constraints: _____

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### NEED DATA DEVELOPMENT

Account: _____

Constraints: _____

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### NEED INSTITUTIONAL COORDINATION, FINANCING

Account: _____

Constraints: _____

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## OPPORTUNITIES

### PRIORITY ACTIONS

What are immediate actions that can be taken to overcome the constraints to begin implementing priority accounts? Include a description of any national development planning deadlines that may be an opportunity for funding.

Account: _____

Action: _____

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Account: _____

Action: _____

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