

Green National Accounts for India – The State of Progress

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Introduction

- ‘Poverty is the worst polluter’ – Late Mrs. Indira Gandhi, in 1972 in the world conference on ‘Human development’
- A host of legislations had been followed the Stockholm conference
 - Water (prevention and Control of Pollution) Act, 1974
 - Air (prevention and Control of Pollution) Act, 1986
 - Environmental protection Act, 1986, etc.
- The Central Pollution Control Board (CPCB) created in 1974 as a regulator as well as the implementation agency

Development of Environment Statistics in India

- Framework for the Development of Environment Statistics (FDES) by UNSD
 - Annual 'Compendium of Environment Statistics' since 1997.
- Handbook of the National Accounting entitled 'Integrated Environmental and Economic Accounting' in 1993.
- Constitution of Technical Working Group (TWG) in 1997.
 - Recommended for taking up Natural Resource Accounting (NRA) research studies covering sectors like forest, biodiversity, minerals, marine resources, Tourism and energy.
- 8 studies on NRA for selected sectors during the period 2002-2008.
 - Covered the sectors like Mining, Air, Water, Land, and Forest.
- Reports suggested some useful information for preparation of NR accounts for the selected sectors for selected regions, but failed to suggest a methodology for India which could be adopted for implementation.

The Technical Advisory Committee (TAC)

- New project commissioned in 2010 for preparation of the synthesis report of the 8 studies and suggest a methodology by taking into account of the methodologies suggested in the reports as well as the recent development in the subject worldwide.
- A Technical Advisory Committee was constituted to monitor the project.
- Submitted the final report in 2012.
- The report could not capture the tremendous amount of research carried out internationally in the last few decades .
- The report could not pinpoint the data requirements, data gaps and ways and means of developing sector-specific NR accounting system.
- The report could not spelt out an implementation plan

Expert Group on Green National Accounts for India

- Dr. Jairam Ramesh, Hon'ble Minister of State for Environment and Forest felt that India needs Green National Accounts (GNA) that can influence the policy decisions of the government with respect to environment and its protection.
- He observed in one of his speeches that ***'If you can't measure something, you can't monitor it and manage it'***.
- Constituted an 'Expert Group' under the chairmanship of Sir. Partha Dasgupta, Professor-Emeritus, Cambridge University, UK under the administrative control of Ministry of Statistics & Programme Implementation. Central Statistics Office (CSO) comes under this Ministry.
- Dr. Ramesh desired that the first estimates of GNA should be published in 2015.

Why does India need Green National Accounts

- India's population is growing at an annual growth rate of 1.9%.
 - Size of population - 0.33 Billion (1951 Census)
 - Increased to 1.21 Billion (2011).
- Annual GDP growth rate
 - 4% - in the pre-liberalization period (ie. Upto 1991)
 - 7.3% during 2003-2010 and
 - 6.3% in 2011-12.
- Livelihood issues are inter-twined with environmentalism.
- More development demands more land use changes like deforestation, conversion of agricultural land into non-agricultural use etc.
- About 52% of the population is depending on agriculture as small farmers and agricultural laborers.

Major issues before the Expert Group

- Economic & Political
 - Large geographical area - 4 geographical regions (Mountainous region, Plains, Desert areas, Southern peninsular), - 4 climatic zones (Alpine Zone, Sub-tropical, Tropical, and Arid) with high degree of biodiversity.
 - Conflict on the ownership of resources (forest dwellers vs. non-forest dwellers, upper riparian vs. lower riparian)

Major issues before the Expert Group....

- Data related
 - Different organizations having different mandates involved in data collection.
 - Varying levels of specialization and technical capabilities.
 - specific purposes with specific set of indicators at specific time intervals.
 - data dissemination policies may vary from organizations to organizations

Major challenges

- Establishing correlation between the existing databases of heterogeneous entity and linking them together and building up a database for the use of national accounting purposes is a major task
- Mechanisms need to be developed for the dissemination of necessary data on agreed principles

Issues in focus

- Implementation plan
- Data augmentation – The govt agencies producing all relevant data needs to be identified.
- Standardization of concepts and definitions, guidelines for the data collection and methods are to be formulated.
- Capacity augmentation in terms of training and creation of manpower. Establishment of new institutions and refurbishment of the existing ones.
- Collaborative mechanisms need to be initiated within the country and with international agencies.
- Establishment of a mechanism for national level coordination.

Issues in Focus...

- Establishment of GNA Cell
 - A Green National Accounting Cell has been Established in the Indian Institute of Technology (IIT), Mumbai,
 - Dr. Haripriya, a member of the Expert Group, to supervise it.
 - Report expected in December, 2012.

A Proposed Implementation Plan for SEEA

- Methodology proposed in the revised SEEA is technically challenging
- It needs capacity development to provide the statistical information for its implementation
- Capacity building is a time-consuming multi-stage, multi-level function.
- To be taken up by developing countries and some of the developed countries too.

A Proposed Implementation Plan for SEEA...

A 5+ Year Strategy

- **Stage 1: Identification of Tables and Accounts**
 - Suggest a set of Tables & Accounts at **UNSD level**.
 - A broad set of indicators need to be identified in line with SNA-2008.
 - Existing data on Environment Statistics, based on FDES (*Framework for the Development of Environment Statistics*) can be considered, if *feasible*.
 - Time Period - 3 to 6 months.

A Proposed Implementation Plan for SEEA...

- **Stage 2: Choice of most relevant indicators and related variables:**
 - This should be done by the member countries, by taking into account of country specific requirements.
 - They can link the exercise with the existing SNA and the existing Environment Statistics.
 - Technical support to be extended from UNSD.
 - Time Period - 6 Months:

A Proposed Implementation Plan for SEEA...

- **Stage 3: Exploring data availability and gaps**
 - Once the indicators and related variables are identified, the National Statistics Office could assess
 - Data availability
 - Gaps in the system.
 - Identification of Institutions
 - Many of the countries do not have a robust system to capture environment statistics or the existing data is weak on many respects.
- Time Period - 6 Months:

A Proposed Implementation Plan for SEEA...

- **Stage 4: Pilot study for generation of data on identified gaps: (Support from UNSD needed for capacity augmentation)**
 - Selection of areas based on the national priorities
 - Identification of institutions
 - Capacity creation – Both institutional and Human resources
 - Indicator specific pilot studies should be conducted.
- Time Period - 3 Years

A Proposed Implementation Plan for SEEA...

- **Stage 5: Preparation of Environmental Accounts based on SEEA**
 - Preparation of national environmental accounts based on SEEA methodology.
- Time Period -1 year

Thank you
For your
Kind Attention