

(A) Terminology is confusing. For example, it is difficult to understand the difference between “natural resource inputs” and “environmental assets” (§86). Where these terms are used, it seems like the terminology could be interchanged. Are these terms referring to the same thing?

(B) We recognise that different assumptions provide a foundation for the establishment of supply and use systems and that these will influence how the supply and use tables are set up. However, it is our opinion that Tables 2.3.2 and 2.3.4 are not consistent. Residuals are shown differently in these two presentations. For example, in Table 2.3.4, Government is shown to “supply” residuals however in Table 2.3.2 there is even no government column shown in the supply table. Also in Table 2.3.2, there are no residuals arising from government consumption. Consistent with the Norwegian way of setting up the PSUT for air emissions (NAMEA-type), government has emissions shown in the ISIC industry section of the PSUT and not related to government consumption in the use table since this is government consumption of services.

There is also a problem with the depiction of residuals for households in both tables. In Table 2.3.2, the supply table shows that residuals are being generated by households. In the supply table, production from households is typically re-classified to the appropriate industry (for example, production from kitchen gardens is placed into agriculture, household electricity production from solar panels into the industry for power generation, etc.). Since the production is re-classified then the residuals for these activities would technically also be placed in the industries. This means that residuals generated by households should be shown only in the use table, which would be shown as coming from household consumption.

It should also be mentioned in SEEA (perhaps in chapter 3) that air emissions accounts, by convention, do not try to distinguish the boundary between domestic production and intermediate consumption or separate emissions arising from these different economic activities. Air emissions accounts, by convention, assign all emissions to production and household consumption.

Although there may be other ways of setting up supply and use systems (monetary and physical) it is important that the SEEA show one system that is internally consistent throughout the manual. Within this context, where residuals should be shown needs to be thought through carefully and the inconsistencies between tables 2.3.2 and 2.3.4 need to be corrected.

(C) In §11 the reference to “undesired materials resulting from production and consumption activity” needs to also include the undesired production of heat energy but which is not typically considered a “material.” Sentence needs revising.

(D) The sequence of flows described in §19 does not follow the example provided in the last sentence. The third flow, from the economy to the environment, is missing from the second sentence in §19.

(E) Evaluate the terminology “fish resources” – change to “aquatic resources” as in SEEA-2003. See our comment to Chapter 5 regarding this terminology.

(F) Remove final sentence from §22 since it is not clear whether SEEA Part II will be developed enough to provide “relevant tables.” Do not promise more than is known to be possible with respect to Part II of SEEA since it is not yet in draft form.

(G) The final sentence in §24 states, “The stocks and flows that exist entirely outside of the environment are not recorded.” This is not true. If the word “outside” is changed to “inside” then the sentence is correct.

(H) Use gender neutral language. §25: replace “man-made” with “human-made”.

(I) Is there actually something called “the residence principle” (see §40)? This phrase was not found in SNA-2008 and calling this a “principle” is not necessarily correct. Paragraph 40 is actually just referring to a definition of residence and not some “principle.” The definition of ‘residence’ is found in the final sentence of §1.48 in SNA-2008.

(J) §52 is only one very long sentence. It is correct but is difficult to understand since it is such a long sentence. Please consider revising into several sentences.

(K) The title for section 2.3.5 should read, “The sequence of SEEA economic accounts showing depletion adjusted items.” The difference between this sequence of accounts and the SNA should be made clearer – the description in §54 and 55 is a little diffuse so it is not clear why you would want to do this.

(L) It is not clear whether §79 and §102 are stating contradictory views regarding the recording of ancillary production, internal flows, own use production in SNA and in some types of physical flow accounts. These two paragraphs should be re-examined to assure consistency.

(M) The terms “proven, probable and possible” are not used in the UNFC (see our comments to Chapter 3 Global Consultation) and so declaring that the SEEA includes all three of these categories is misleading. §90 needs to be revised in relation to the terminology used in UNFC – making the point that SEEA includes more than SNA is correct but the correct terminology needs to be used here and in Chapter 3.

(N) in §95 it states, “The environment itself is not considered to be a unit.” This general statement seems to contradict that the environment has been added to the PSUTs and so is defacto being treated as if it is a “unit”. This statement needs to be revised so it is not confusing and contradictory to how the environment is being included in the PSUTs.

(O) In §134 social valuations are “...not discussed further in the context of the central framework of the SEEA.” But these types of issues are being mentioned with regards to the choice of discount rates in Chapter 5 and in the Chapter 5 Annex so this statement contradicts the discussion included in Chapter 5 and should be removed. It is important that these topics are included in the discussion regarding the choice of discount rates and should not be totally dismissed.

(P) In §136, the word “from” should be changed to “form”