

Para 14. minor revisions: At the same time, these individual resources ~~co-exist within the environment and together, as a system,~~ **make up part of the structure of ecosystems,** which provide additional ~~broader range of~~ benefits to the economy and society ~~than is commonly appreciated.~~

Para 16: Economic activity may degrade environmental assets such that they are not able to deliver the range and quantity of ecosystem services on an ongoing basis. Thus, a focus on ecosystems ~~encompassing all environmental assets~~ **as systems rather than simply a composition of separable assets** provides a more holistic view of the environment and allows analysis of the extent to which economic activity may reduce ecosystem capacity – that is an assessment of degradation.

Para 18: Delete first sentence. We believe that we should not make value judgement statements with regard to Volume 2 at this stage. Chapter 1 should explain the status of Volume 1 vis-à-vis Volume 2 but this should not be elaborated in a technical chapter.

Para 19. I would always refer to “tables **and accounts**” in the SEEA rather than simply to tables.

Para. 24 "The stocks and flows that exist entirely outside of the environment are not recorded." It is unclear what is meant.

Para 28 last sentence before the bullet point: replace “supply to” with supply **by**. Products are the output of the economic activities and are supplies as intermediate consumption, final consumption or exports.

Para 29: last bullet add a sentence or less on inventories.

Table 2.3.4: The residuals from government should be grey. We always assume that government as a producer generates residuals. Accumulation of residuals should be included should be explained in a footnote to ensure that all the flows discussed in the tables leading to table 2.3.4 find their place.

Paras 30 and 31, Table 2.3.1 - These read well. But the discussion starts and finishes with ‘products’. It may help if the reader understood how natural inputs fit into this supply–use schema i.e. to know when a natural input (e.g. coal) becomes a product.

Para 40 – Could also define sectoral classifications (using SNA chapter 4).

Para 44 – could use a little more discussion of reappraisals and reclassifications – what they are and some examples of each. E.g. changes caused by differences in definition or composition of the asset (reclassification) – are these price, quality, technology-related?

Para 55 – suggest final 2 sentences read as follows:

In the SEEA, these “net” balancing items are further adjusted to account for the using up of natural resources. The resultant SEEA balancing items are referred to as “depletion adjusted” though these adjust only for a narrow range of factors (see chapter XX for further information).

Section 2.4.2 the description of the physical flows should be provided first followed by the flows in monetary terms (para 73-76), like in Section 2.4.3

Para 74 Prefer the SNA 2008 use of words: non-market products rather than non-marketed products. The word “marketed” in the 2008 SNA is reserved/used as a verb e.g. products are marketed.

Para 79 with the trade margins only recorded in the SNA, the transaction seems better described by replacing the “retailer” with “ purchaser of the car”.

Para 80 delete “by businesses and households” because the “government” also emits

Para 85. the definition of environmental asset has to match the definition in Chapter 5. The interaction between living and non living components, the exchange with the atmosphere should be added and the use in production deleted.
“Environmental assets are the naturally occurring living and non-living components of the Earth, together comprising the biophysical environment that deliver ecosystem services through their interactions and exchanges with the atmosphere to the benefit of current and future generations”.

Para 86 add at the end of first sentence “ in the central framework”

Para 89 Add that the scope of physical stocks of environmental assets is not the same as physical stock used to measure the monetary value depending on the degree of control and whether economic ownership rights can be attributed to the benefits.

Para 91 Add the following text to end of the first sentence; “of SEEA monetary asset accounts.”

Para 96 for enterprise use the definition of the 2008 SNA is “an institutional view as a producer of goods and services”. Add this definition at the beginning of the paragraph and in the last sentence of para add “acquire” before “liabilities”. The “stand alone” sense should be explained in their “capability” to engage in transactions and other economic activities with other economic units.

Section 2.6.2 the notion of “horizontal and “vertical” consistency in recording has to be explained upfront in para 110

Para 107 Add “and compilation” to end of final sentence.

Para 116 Last sentence should become second sentence

Para 119 should read.... By reference to other equivalent monetary values) ... or valued at cost of production (fro non-martker output)

Para 120: rather than recommending specific measurement units we should leave the text more general: The second sentence could read: Thus flows of energy are generally measured in energy content such as joules, stocks and flows of water are generally measured in volume such as cubic metres, etc.

Para 122 should read ... is based on the “economic territory” of a country

Para 126 should read ...within the economic territory of a country.

Para 127 the territory principle should be explained.

Para 132 add para on valuation of non-market production

Para 136 – Figure 2.6.1 should first be referred to at this point.
First sentence, delete “to” (or else change “from” to “form”).

Para 142 should read as ... understood as the change in key aggregates over timesuch as
gorss domestic product

Para 143 – Final sentence, replace “economic growth” with “natural resource use”.

Para 144 last sentence should read as ...the effects of price change from measures of
economic aggregates