



DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

**SEEA Revision
Chapters 1-6**

Comment Form

Global Consultation Comment Form

Revised SEEA Chapter 1 - 6

Deadline for responses: 7 December 2011

Send responses to: seea@un.org

Your name:	Haripriya Gundimeda
Your country/organization:	Indian Institute of Technology Bombay, India
Contact (e.g. email address):	Haripriya.gundimeda@iitb.ac.in

To submit responses please save this document and send it as an attachment to the following e-mail address: seea@un.org.

The comment form has been designed to facilitate the analysis of comments. In Part I general comments on the general style, content and coverage of the chapter are sought. In Part II any technical and other comments should be included.

Relevant documents

Before submitting responses you are encouraged to read the accompanying papers available on the website.

Revision of the SEEA: Draft Version for Second Round of Global Consultation, October 2011 – Chapters 1 – 6

Reading guide for the SEEA Revision Second Round of Global Consultation

Supporting material for selected classifications and lists in the revised SEEA

Part I: General comments

This is the first global consultation based on the complete set of chapters for the SEEA Central Framework. In this section please provide general comments on the drafts chapters. You may like to consider providing comments on the style and tone, the content and coverage, and the general accessibility of the material.

Click here and start typing (The length of your response is not limited by this text box.)

The style and tone are in general good and could be easily understood. However, the text should be complemented with examples wherever possible. For example, in the paragraph 1.12 on the policy relevance of SEEA, the text mentions “information in the SEEA can give broad guidance on issues and areas of the state of the environment that should be the focus of the decision makers”. Here if the text can add an additional line saying “what kind of guidance” it would be helpful. Or it can be mentioned this is discussed again the last chapter.

Similarly paragraph 1.56: “Environment statistics are often collected with particular regulatory or administrative purpose in mind and the way they are structured is specific to the need”. This is little unclear. An example of some environment statistics and how they are structured depending on the need would be very useful.

On Page 11 after paragraph 1.43 suddenly mention of Accounting for ecosystems has been made. This looks out of place. Little bit more clarification should be made some where in the beginning as to why ecosystem accounting is treated differently from the central framework and then some introduction of ecosystem accounting should be made. Right now it suddenly pops in and needs to be fixed.

The difference between environment and ecosystem should be mentioned from the beginning. Right now the reader keeps guessing why something is environment flows and others are flows from ecosystems. Some clarity is missing. For example, paragraph 1.48 the bullet “effectiveness of the expenditure for environmental purposes may, ultimately be assessed by changes in the capacity of ecosystems to continue their delivery of ecosystem services as recorded in ecosystem accounts”- This is very confusing.

On the issue of flexibility of implementation – if different countries develop different accounts, how do we then compare?

What is our main objective in developing the accounts?

On page 23 paragraph 1.6 gives an overview of SEEA and mentions the different between central framework, experimental accounts and extension accounts. This should have come even before.

Part II: Technical and other comments

In the box below please supply any additional comments including those of a more technical nature. As this is the first consultation where the complete 6 chapters have been released, comments on the consistency of the technical content across the chapters would be appreciated.

Please reference your responses with the relevant paragraph number or section number.

Click here and start typing (The length of your response is not limited by this text box.)

Paragraph 2.12

The environment may also be considered in terms of stocks and flows. From stock perspective environment includes all living and non-living components comprising biophysical environment. Then why separate ecosystem accounting? Are ecosystems a subset of environment? What is the relation between the two? How does SEEA deal with this issue?

Figure 2.2.1 should be redrawn and ecosystems should be shown clearly in relation

Paragraph 2.17 defines environmental assets are the naturally occurring living and non-living components of the Earth, together comprising the bio-physical environment, that may provide benefits to the humanity.

Then what are ecosystems??

I feel there is lack of clarity on this issue which needs to be addressed

See paragraph 2.21 which mentions ecosystems. I donot think ecosystems provide only non-material benefits. It should be clarified whether environment is part of ecosystems or ecosystems are part of environment and correctly capture the flows between then for clarity.

Paragraph 2.44. If we can succeed ideally we should be able to arrange all material and non-material flows in the form of input-output matrix.

Paragraph 2.45 – How to deal with international flows/benefits?

Paragraphs 2.50 to 2.53 – Accounting period is crucial for some of the assets for example air pollutants, water pollutants. It depends on the season. Then how do we aggregate and match with the accounting period in the central framework for other produced assets?

Paragraph 2.56 – “In particular the extraction of natural resources is not recorded in the monetary supply and use tables but is recorded in PSUT as natural inputs”

Shouldn't these natural resource inputs be valued and deducted from total revenue using imputed prices?

Paragraph 2.12 – Accounting at subnational levels – It is mentioned that corresponding economic data is not readily available?

Why not? Most of the goods have more localised markets and assigning the price at national level is more difficult task

Paragraph 2.7.3 – From the outset in the case of natural resources or environmental resources it should be made clear that efficient prices should be the basis. It should net out any subsidies and other market imperfections

Figure 5.2.1. Does this mean some of the environmental assets are treated as financial assets? Is so this is fine

Paragraph 5.3 – structure of asset accounts. In the earlier SEEA manual the categories are specially mentioned as changes due to economic activity. Right now this mention is not made. Particularly from the national accounting perspective we would be more interested in looking at the impact of economic activities on environment and if economic activities are depleting the natural capital, they should be deducted from the conventional aggregates. Right now because this distinction is not made, there may be a danger that entire difference between opening stocks and closing stocks is treated as depletion. I would strongly argue for

mentioning the category changes due to what???

Paragraph 5.62 – One issue which comes up is how do we treat negative rents. This is a situation in many developing countries, where the government heavily subsidises. Some mention should be made on this issue

Paragraph 5.76 – shouldn't depletion be extraction of economic unit over and above the natural regeneration or additions?

Paragraph 5.79 – How do we treat discoveries?

Choice of the discount rates – sections 5.1 – 5.148 – Should discount rates be comparable across countries? Or would at least argue for using different discount rates?

Paragraph 5.206 – Practically the labour costs allocated to R and D activities is difficult to get.

Paragraph 5.5.5 – How to deal with FDI investments in mining?

Paragraph 5.283 – 5.289 – No mention has been made of land which is temporarily out of forest – say shifting cultivation

Paragraph 5.301 – For land under forests, the separation should be based on the value of the stock of timber resources – why only timber resources?

Paragraph 5.493 – how do we take account of the seasonal variation and then aggregate to the accounting period under consideration?

Page 274- Table under paragraph 32 – the discoveries are treated at par with existing stock. There is lot of debate on this issue