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Report of the Committee of Experts on Environmental-Economic Accounting

Note by the Secretary-General

In accordance with Economic and Social Council decision 2013/235, the Secretary-General has the honour to transmit the report of the Committee of Experts on Environmental-Economic Accounting. The report describes the progress made by the Committee, in particular on the implementation of the System of Environmental-Economic Accounting (SEEA). It describes the progress made in the implementation of the SEEA Central Framework, ongoing efforts to promote the Central Framework and the way forward in advancing the research agenda of the Central Framework. It further describes work done in testing and advancing the research agenda of the SEEA Experimental Ecosystem Accounting. Points for discussion are provided in paragraph 51 of the report.

^{*} E/CN.3/2014/1.







Report of the Committee of Experts on Environmental-Economic Accounting

I. Introduction

- 1. By its decision 44/104 (see E/2013/24, chap. I.C), the Statistical Commission:
- (a) Expressed its appreciation for the work of the Committee of Experts on Environmental-Economic Accounting in delivering a significant work programme in accordance with the agreed project management framework;
- (b) Adopted the implementation strategy for the System of Environmental-Economic Accounting (SEEA) Central Framework recommending a flexible and modular approach, and urged the Committee of Experts to agree on a medium-term programme of work for the implementation of SEEA, including advancing the issues on the SEEA Central Framework research agenda and the development of a core set of tables and accounts, in order to develop coordination mechanisms among the relevant international and regional agencies for effective management of the programme and to actively seek funding to support the implementation activities;
- (c) Requested the Committee of Experts to develop diagnostic tools, compilation guidelines and training materials to support the implementation of the SEEA Central Framework and strengthen supporting statistics in collaboration with other international and regional agencies;
- (d) Stressed the urgency to publish the SEEA Central Framework and to translate it into the official languages of the United Nations;
- (e) Welcomed the SEEA Experimental Ecosystem Accounting as an important first step in the development of a statistical framework for ecosystem accounting, and encouraged its use by international and regional agencies and countries wishing to test and experiment in this new area of statistics;
- (f) Recognized the policy demand for information on ecosystem accounting, and requested the Committee of Experts to set priorities and develop a medium-term programme of work with timelines and deliverables as well as a proper mechanism to address these issues, considering the multidisciplinary nature of the topic;
- (g) Welcomed the SEEA Applications and Extensions as a useful contribution to illustrating possible applications of the SEEA Central Framework, and agreed with its process of finalization;
- (h) Recognized SEEA as a useful measurement framework to inform several policy frameworks, including but not limited to the green economy and green growth, sustainable development and various international initiatives, in the follow-up to the outcome document of the United Nations Conference on Sustainable Development, the formulation of sustainable development goals and the post-2015 development agenda;
- (i) Noted that, notwithstanding the importance of the measurement of sustainability through national accounts, environmental statistics and economic environmental accounting, there is a need to complement these measures with the measurement of labour markets, which are currently not sufficiently developed in many developing countries;

- (j) Welcomed progress made in the drafting of the System of Environmental-Economic Accounting for Energy (SEEA-Energy) and, recognizing the advanced stage of the draft and the policy demand, agreed with the suggested process to take into account the contributions of the members of the different groups (London Group on Environmental Accounting, Oslo Group on Energy Statistics and Eurostat) and finalize SEEA-Energy for adoption by the Bureau of the Commission in between sessions;
- (k) Noted with appreciation the progress of work on the implementation of the System of Environmental-Economic Accounting for Water.
- 2. The present report is organized as follows. Section II summarizes the policy context and the demand for SEEA. Section III presents the progress achieved in the implementation of the SEEA Central Framework, including the outcome of the international conference entitled "Global implementation of the SEEA" and regional seminars held during 2013. Section IV provides a proposal for advancing the research agenda on the SEEA Central Framework. Section V provides an update on progress in testing and research for the SEEA Experimental Ecosystem Accounting. Section VI presents the status of publication and translation of the 2012 SEEA. Section VIII provides an update on the development of the SEEA Subsystems. Section VIII discusses governance issues of the Committee of Experts on Environmental-Economic Accounting. Section IX presents points for discussion by the Commission. A summary of the activities of the various groups working within the mandate of the Committee is available as a background document.

II. System of Environmental-Economic Accounting and policy demand for an integrated statistical framework

- 3. By its decision 44/104 (see para. 1 (h) above), the Statistical Commission recognized SEEA as a useful measurement framework to inform several policy frameworks, including but not limited to green economy and green growth, sustainable development and various international initiatives, in the follow-up to the outcome document of the United Nations Conference on Sustainable Development, the formulation of sustainable development goals and the post-2015 development agenda.
- 4. In "The future we want" (see General Assembly resolution 66/288, annex, paras. 40 and 101), a call was made for holistic and integrated approaches to sustainable development and the importance of integrated planning and decision-making at the national, subnational and local level was underlined. This call has been reiterated in the High-level Panel of Eminent Persons on the Post-2015 Development Agenda (A/67/890, annex) and in the report of the Secretary-General entitled "A life of dignity for all" (A/68/202).
- 5. In this context, SEEA, together with the System of National Accounts, provides an important framework for monitoring and reporting related to the post-2015 development agenda, considering its focus on integrated economic, environmental and, to some extent, social information. The relevance and utility of SEEA to monitor sustainable development has been recognized in numerous instances. The High-level Panel of Eminent Persons on the Post-2015 Development Agenda called for Governments to adopt SEEA so that the metrics obtained could be used to monitor

13-63151 **3/15**

national development strategies and results in a universally consistent way. The Panel called for a data revolution for sustainable development, a new international initiative to improve the quality of statistics and for information to be made available to citizens.

- SEEA has also been recognized as the main statistical framework for measuring natural capital in various international and regional policy initiatives. These include, but are not limited to, the World Bank-led Wealth Accounting and the Valuation of Ecosystem Services partnership (see www.wavespartnership.org), the Valuation and Accounting of Natural Capital for Green Economy initiative launched by the United Nations Environment Programme (UNEP),1 the Better Life initiative2 and green growth strategy,3 of the Organization for Economic Cooperation and Development (OECD), the UNEP Green Economy programme,4 the European Commission initiative on "GDP and beyond",5 the Convention on Biodiversity Aichi Biodiversity Target 26 and the UNEP-led initiative on the economics of ecosystems and biodiversity.⁷ Through the recognition of SEEA by these global and regional policy initiatives, the implementation of the SEEA framework has obtained momentum in combination with the implementation of the System of National Accounts at the country level to underpin a large part of the metrics to monitor progress towards the policy objectives and inform decision-making at the national level.
- 7. The current discussion on the development of sustainable development goals as part of the post-2015 development agenda presents an important opportunity: to place SEEA, together with the System of National Accounts, at the core of the monitoring framework of the sustainable development goals and to mainstream its implementation in national statistical systems. The Statistics Division of the Department of Economic and Social Affairs of the Secretariat has participated in several regional and global events organized in collaboration with global and regional partners of the Committee of Experts to promote the System of National Accounts and SEEA as important frameworks to support the post-2015 development agenda.

III. Implementation of the Central Framework and supporting statistics

Implementation strategy for the Central Framework and supporting statistics

8. By its decision 44/104 (see para. 1 (b) above), the Statistical Commission adopted the implementation strategy for the SEEA Central Framework prepared at the request of the Commission at its forty-third session. The objectives of the implementation strategy are: (a) to assist countries in the adoption of the SEEA Central Framework as the measurement framework for environmental-economic

 $^{^1\} See\ http://ese-valuation.org/index.php/ese-unit/44-vantage-conference/82-vantage-conference.$

² See OECD, How's Life? 2013: Measuring Well-Being (Paris, 2013), chap. 6.

³ See OECD, Putting Green Growth at the Heart of Development (Paris, 2011), chap. 5.

⁴ See UNEP, Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication (Nairobi, 2011).

⁵ See the European Commission staff working document "Progress on 'GDP and beyond' actions" (2013).

⁶ See www.cbd.int/doc/strategic-plan/targets/T2-quick-guide-en.pdf.

 $^{^{7}\} See\ www.teebweb.org/media/2013/10/TEEB_GuidanceManual_2013_1.0.pdf.$

- accounting; and (b) to establish incrementally the technical capacity for regular reporting on a minimum set of environmental-economic accounts with the appropriate scope, detail and quality. A key element for the strategy is to allow for a flexible and modular approach, recognizing that countries differ in terms of their specific policy issues and their level of statistical development.
- 9. The strategy envisages four stages of implementation. The first phase consists of the establishment of a national institutional mechanism to drive SEEA implementation, including by bringing together relevant stakeholders and deciding on policy priorities. The second phase consists of a broad assessment of policy frameworks and basic data sources, including the identification of relevant data producers and users, periodicity of data compilation, methods for data collection etc. The third phase consists of identifying priorities and starting the compilation of the accounts on a pilot basis. The fourth phase consists of carrying out a more in-depth assessment of data quality and data gaps and subsequent development of a strategic plan for the implementation of SEEA, including a plan for improving the data production process.
- 10. Key features of the implementation strategy for the SEEA Central Framework are: (a) strategic approach to implementation, identifying clear linkages with national development strategies, national sustainable development strategies and sectoral strategies (e.g. water, energy etc.); (b) close linkages to policy demands; (c) a bottom-up approach, with countries owning the strategy and process of the implementation of SEEA and supporting statistics; (d) a subregional approach, with close coordination among countries at the subregional and regional levels and close linkages with global implementation; and (e) lead countries within the subregions that take the lead in advancing SEEA implementation and sharing the experience gained with countries in the region.
- 11. The implementation strategy of the SEEA and supporting statistics is also closely linked to the implementation strategy of the System of National Accounts and supporting statistics. Both programmes have at their heart the strengthening and development of supporting statistics and their integration into the accounts through the development of the statistical infrastructure and operations for an integrated economic statistics programme at country level, with a cost-effective and sustainable data production process; the strengthening of institutional arrangements with appropriate mandates and allocations of adequate resources; and the fostering of a strong link between statistics and their policy and analytical use. The generation of supporting basic statistics needed for the compilation of SEEA is part of this architecture. By way of example, the adoption of a unified business register and the use of administrative data and unified surveys are common elements of both the economic and environmental statistics programmes.

International conference

12. To launch the implementation of SEEA and supporting statistics, an international conference entitled "Global implementation of the SEEA" was held in New York, from 17 to 19 June 2013. The conference was jointly organized by the Statistics Division, the secretariat of the Convention on Biological Diversity, the European Environment Agency, Eurostat, the Food and Agriculture Organization of the United Nations (FAO), the International Monetary Fund, OECD, the United Nations Development Programme (UNDP), UNEP and the World Bank, under the auspices of

13-63151 5/15

the Committee of Experts on Environmental-Economic Accounting. It provided an important forum for national, international and non-governmental organizations and experts from scientific and academic institutions to discuss the implementation programme of the SEEA Central Framework and the testing and research agenda of the SEEA Experimental Ecosystem Accounting. Participants in the conference agreed on a set of recommendations for advancing the implementation of the SEEA Central Framework and the testing of the SEEA Experimental Ecosystem Accounting.

- 13. The agreed recommendations on the global implementation of the SEEA are organized into three broad categories: (a) strategic planning, an important tool to guide the development of the national statistical programmes, increase political and financial support for investment in statistics and ensure that countries will be able to produce the data needed to monitor their sustainable development plans, including measuring sustainable development goals; (b) coordination, monitoring and reporting, including the establishment of partnerships at national, regional and global level to advance the implementation of SEEA and supporting statistics and the establishment of a reporting mechanism; and (c) national statistical capacity-building, with international agencies providing technical support to countries but ensuring that the SEEA implementation process is nationally owned and country-led. The full set of recommendations arising from the conference is available as a background document.
- 14. The participants in the conference reaffirmed the immediate need to mainstream the SEEA Central Framework in national statistical systems, irrespective of the level of statistical development. It was recommended that road maps for implementation of the SEEA Central Framework at the regional, subregional and national levels be developed by countries using a flexible and modular approach, with deliverables developed for the near term (by 2015) using an accelerated approach for the medium term (by 2020) and for the long term (by 2030). This approach would take into consideration countries' priorities and their level of statistical development.
- 15. The need for draft common core tables (such as for water, forest, energy, land cover/use) for guiding countries in the implementation of the SEEA Central Framework and identifying the minimum set of supporting statistics to populate the core tables in the short term was accepted. It was suggested that these draft core tables be harmonized over time with reporting requirements from other organizations into national reporting tables, including the emerging reporting requirements for the post-2015 development agenda.
- 16. The participants in the conference stressed that international and regional organizations should step up their advocacy for the implementation of the SEEA Central Framework, as it is a new framework. Strong coordination and cooperation among international agencies working on activities related to the implementation of the Framework at the international, regional and national levels was recommended. To facilitate coordination and cooperation, it was recommended that a partnership for the implementation and mainstreaming of the Framework be created, with clear delineation of the roles and responsibilities of each partner.
- 17. At the country level, it was considered critical to establish a national coordination mechanism with clear roles and responsibilities for different institutions, including identifying a lead agency or agencies that would champion and coordinate the implementation of SEEA in combination with the System of National Accounts.

- 18. Taking into account the mandate given to the Committee of Experts by the Statistical Commission as the governing body for the implementation of the SEEA Central Framework, appropriate resources should be allocated to the secretariat of the Committee to facilitate the global coordination of SEEA implementation. To that end, the bureau of the Committee of Experts should take appropriate action to initiate a funding drive, based on an agreed funding strategy, to secure necessary resources.
- 19. Recognizing the importance of country ownership of the implementation of the SEEA Central Framework, including the creation of legal mandates and the allocation of adequate resources, the conference participants recommended that demonstration of the policy and analytical use of integrated environmental-economic statistics should feature prominently and early on in the implementation process, along with other aspects of institutional and statistical capacity-building.

Activities to advance the implementation of the Central Framework and supporting statistics

- 20. Following up on the recommendations of the international conference and in line with the implementation strategy, a number of subregional seminars on the implementation of the SEEA Central Framework and supporting statistics have been organized with participants from national statistics offices, ministries of environment and finance and other departments. Lead countries are identified to host the subregional seminars, which are preceded by a national seminar bringing together the different stakeholders in the country with the objective of starting to raise the awareness of users and producers of the SEEA Central Framework and to foster cooperation among different stakeholders. The subregional seminars are organized in collaboration with subregional institutions, United Nations regional commissions, UNDP, UNEP and the World Bank to ensure close linkages with the policy frameworks. They are also organized back-to-back with the regional national accounts workshops to ensure a common approach and to take advantage of synergies between the implementation of the System of National Accounts and SEEA and supporting statistics.
- 21. The first seminar was held for countries of the Pacific region on 20 and 21 August in Apia, in collaboration with the Economic and Social Commission for Asia and the Pacific (ESCAP), the Samoa Bureau of Statistics, the Australian Bureau of Statistics, the secretariat of the Pacific Regional Environment Programme and the Secretariat of the Pacific Community.⁸ The second seminar was held for countries of Latin America and the Caribbean from 18 to 20 September in Rio de Janeiro, Brazil, in collaboration with the Economic Commission for Latin America and the Caribbean, the Brazilian Institute of Geography and Statistics, UNDP, UNEP and the World Bank.⁹ The third seminar was held for Asian countries from 8 to 10 October in Bangkok, in collaboration with ESCAP, UNEP and the South Asian Network for Development and Environmental Economics.¹⁰ A fourth seminar was held for countries of the regions of the Economic Community of West African States and the

13-63151 7/15

⁸ Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu and the Cook Islands participated in the seminar.

⁹ Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Jamaica, Mexico, Peru, Uruguay and Venezuela (Bolivarian Republic of) participated in the seminar.

¹⁰ Bangladesh, Bhutan, China, India, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, Pakistan, the Philippines, Sri Lanka, Thailand and Viet Nam participated in the seminar.

Common Market for Eastern and Southern Africa from 18 to 20 December in Kampala, in collaboration with the Economic Commission for Africa, the Uganda Bureau of Statistics, the African Development Bank, UNDP, UNEP and the World Bank. ¹¹ Assessment missions were also undertaken in Samoa by ESCAP and the Australian Bureau of Statistics and in Malaysia by the Statistical Institute for Asia and the Pacific and ESCAP with assistance from the Statistics Division.

22. As a result of the seminars on the implementation of SEEA and supporting statistics, countries are in the process of establishing inter-institutional coordination mechanisms and developing an initial strategy statement based on a broad assessment of policy priorities and data availability. The initial strategy statement is expected: (a) to provide background on the national development programmes, national sustainable development programmes, national biodiversity plans of action, sectoral programmes (e.g. water, energy etc.) and linkages to the international agenda; (b) to identify different stakeholders and their role in SEEA implementation; (c) to identify existing international initiatives and programmes in the country with which SEEA implementation could be associated (e.g. System of National Accounts implementation, global programme on agriculture statistics, initiatives to develop green economy indicators etc.) or policy initiatives it could inform (e.g. green economy/green growth strategies, the Wealth Accounting and Valuation of Ecosystem Services partnership, the initiative on the economics of ecosystems and biodiversity etc.); (d) to provide a broad assessment of data availability, mapping the data items with the different data sources collected by various stakeholders, including what data are collected by which agency and with what periodicity; (e) to identify constraints (e.g. data gaps, lack of capacity in compiling the accounts as well as using them in policy and decisionmaking) and opportunities (e.g. more efficient data production process, evidencebased decision-making, improved coordination); and (f) to set forth actions to advance SEEA implementation, including the establishment of an institutional mechanism, a programme of work with timelines and deliverables and clear roles and responsibilities of different stakeholders, and a communication strategy to promote the results.

Supporting tools for the implementation of the Central Framework

23. In response to the request of the Statistical Commission to develop diagnostic tools, compilation guidelines and training materials to support the implementation of the SEEA Central Framework and strengthen supporting statistics (see para. 1 (c) above), the Statistics Division, in collaboration with various international and regional agencies, the London Group on Environmental Accounting and countries, is in the process of developing a number of outputs, which are described below.

Implementation guide

24. The SEEA implementation guide is intended to provide guidance to countries that want to start implementation of SEEA and supporting statistics through a step-by-step process leading to the development of a programme of work with timelines and deliverables and appropriate coordination mechanisms. The guide also includes a rapid diagnostic tool that has been used in regional seminars to help countries to initiate discussion with different stakeholders, identify policy priorities and data

¹¹ Gambia, Ghana, Kenya, Liberia, Nigeria, Rwanda, Sierra Leone and South Africa participated in the seminar.

availability and develop a programme of work. A draft implementation guide was presented at the 19th meeting of the London Group on Environmental Accounting, held in London from 12 to 14 November 2013. 12

Core tables and accounts

25. The core tables and accounts and associated technical notes for selected resources or type of accounts are being developed in close coordination with international agencies and in cooperation with the London Group on Environmental Accounting. They represent a minimum set that countries should aspire to compile, depending on their policy priorities and data availability. The list of data items and associated definitions, the list of indicators as well as possible data sources associated with the tables are presented in the technical notes. Countries will be encouraged to use the core tables and accounts for their data assessments and, where appropriate, to further disaggregate the breakdown of industries and products of the accounts. The core tables and accounts represent the first step towards the establishment of a global reporting mechanism. Consistency with reporting to Eurostat will be ensured, as will consistency with tables being developed by OECD to support the calculation of green growth and environmental indicators with a focus, for the time being, on air emissions and natural resources. Draft tables for water, energy and land were presented at the 19th meeting of the London Group and at the subregional seminars. The London Group is in the process of developing draft core tables and accounts for other selected resources and modules of the SEEA Central Framework.

Training strategy

26. The need for a training strategy in response to increasing demand for training in SEEA implementation was stressed at the 8th meeting of the Committee of Experts ¹³ and at the international conference on global implementation of SEEA (see paras. 12-20 above). Trainers are needed to support regional and subregional workshops as well as in-country training to build the expertise of national stakeholders. As part of the training strategy, a train-the-trainers programme is envisaged to ensure the delivery of a common message during the training workshops and effective delivery of the training material. In this context, the Statistics Division has initiated collaboration with the German Agency for International Cooperation, selected countries and international agencies in developing a train-the-trainers programme, tailored to a blended learning combining online training with a face-to-face workshop. A standard set of presentations for common use will be developed as part of this exercise.

Compilation guidelines

27. Compilation guidelines of selected accounts are being developed. The Statistics Division, with the assistance of an expert group, is developing compilation guidelines for water accounts and statistics in support of the implementation of the SEEA, SEEA for Water and the International Recommendations for Water Statistics (see paras. 40-43 below). The Oslo Group on Energy Statistics is developing the energy statistics compilers' manual to support the implementation of the

 $^{12}\ See\ http://unstats.un.org/unsd/envaccounting/londongroup/meeting 19.asp.$

13-63151 9/15

¹³ See http://unstats.un.org/unsd/envaccounting/ceea/meetings/UNCEEA-8-7f.pdf.

International Recommendations for Energy Statistics and SEEA for Energy. Compilation guidelines continue to be developed by Eurostat for those accounts covered by European regulations.

Communication strategy

28. The need to develop a communication strategy for SEEA implementation at the international and national levels has been stressed repeatedly. The need to engage professionals to ensure that a clear and effective message is developed to obtain the buy-in of various stakeholders has also been highlighted. Efforts are under way to engage communication experts to assist with the development of a communication strategy.

IV. Advancing the research agenda of the Central Framework

- 29. The SEEA Central Framework represents a significant step forward in the development of standards and methodologies in environmental-economic accounting. However, some measurement challenges remain and are included in the research agenda presented in annex 2 to the Framework. The Statistical Commission has asked the Committee of Experts to develop a programme of work for the implementation of SEEA, including advancing issues on the research agenda of the Central Framework (see para. 1 (b) above).
- 30. The priority and the process to advance the research agenda were discussed at the 8th meeting of the Committee of Experts, in June 2013. In terms of prioritization, the work on the development of classifications, in particular of land use and land cover and of environmental activities, together with the work on the environmental goods and services sector, have been considered the areas of highest priority. The other areas identified as part of the research agenda, namely the valuation of water resources and the accounting for soil resources and depletion of natural biological resources, rely heavily on knowledge about the function and valuation of ecosystems. Therefore, these issues should be advanced in conjunction with the research agenda for the SEEA Experimental Ecosystem Accounting.
- 31. A steering committee is to be established to advance the research agenda and review the quality and methodological soundness of the technical guidance and tools developed in support of SEEA implementation. The technical guidance and tools will include, among others, the core tables and accounts and associated technical notes, the implementation guide, the train-the-trainers course and the communication strategy. The steering committee will undertake its work in accordance with an agreed programme, liaise closely with the London Group on Environmental Accounting and report to the Committee of Experts and its bureau.

V. Testing and research of the System of Environmental-Economic Accounting Experimental Ecosystem Accounting

32. At its forty-fourth session, the Statistical Commission welcomed the SEEA Experimental Ecosystem Accounting and encouraged its use by international and regional agencies and countries wishing to test and experiment in this new area of statistics. The Commission requested the Committee of Experts to develop a

medium-term programme of work with timelines and deliverables as well as a proper mechanism to address these issues, considering the multidisciplinary nature of the topic (see para. 1 (e) and (f) above).

- 33. To this end, the Committee of Experts, at its 8th meeting, agreed on a set of priorities for the research agenda, identifying the short-term priorities as: (a) delineation of spatial units and associated classifications, including their link to economic units; (b) methods to measure ecosystem services and ecosystem assets; (c) presentation of structure, including structure of the tables and relevant indicators that can be derived from the accounts; (d) linkages with socioeconomic data; and (e) valuation of ecosystem services.
- 34. With regard to the mechanism to advance the research agenda, the Committee of Experts agreed to establish a steering committee on SEEA Experimental Ecosystem Accounting consisting of a small number of representatives from different disciplines, including scientists, economists and experts from national statistical offices. The steering committee would be responsible for coordinating the experimentation and testing of the SEEA Experimental Ecosystem Accounting in countries; establishing collaboration with existing groups, networks and partnerships working on areas related to ecosystem accounting; recommending best practices in the Experimental Ecosystem Accounting and developing guidelines on methods to implement the Experimental Ecosystem Accounting; and facilitating the sharing of research and practices through platforms, meetings and conferences to advance the research agenda. The initial task of the steering committee would include taking stock of current initiatives and groups working in areas related to the Experimental Ecosystem Accounting and developing a programme of work under the auspices of the Committee of Experts.
- 35. To obtain a better understanding of current practices in the testing of the SEEA Experimental Ecosystem Accounting, the Statistics Division, in close consultation with the Secretariat of the Convention on Biological Diversity, UNEP, Australia and Norway, organized an expert group meeting in New York from 18 to 20 November 2013. At the meeting, experts on modelling approaches and tools for ecosystem measurement and representatives of national statistical offices discussed the pros and cons of various models to be used in the testing of the SEEA Experimental Ecosystem Accounting. The meeting was a first step towards mapping the different initiatives and establishing a community of practitioners on SEEA Experimental Ecosystem Accounting. Participants recognized the urgent need to establish a mechanism to coordinate activities in the field of ecosystem accounting and welcomed the role of the statistical community in taking the lead in this new and emerging field.

VI. Status of publication and translation of the System of Environmental-Economic Accounting 2012

36. The System of Environmental-Economic Accounting 2012: Central Framework has been edited and will be published in English early in 2014. Work is also ongoing to translate the Central Framework into the other five official languages of the United Nations. The glossary of the book has already been translated into Chinese, French and Spanish. Complete draft translations are scheduled to be posted on the project website (http://unstats.un.org/unsd/envaccounting) in the first half of 2014. The Statistics Division will work closely with regional commissions and other

13-63151

relevant organizations to ensure the timely finalization of the translations of the Central Framework.

- 37. The System of Environmental-Economic Accounting 2012: Experimental Ecosystem Accounting has been issued as a "white cover" pre-edited publication. The book was edited by the Editorial Control Section of the Secretariat in October 2013 and will be reviewed by the Copy Preparation and Proofreading Section. The publication of the book is scheduled for the second half of 2014.
- 38. The pre-edited version of the SEEA Applications and Extensions is expected to be posted on the project website early in 2014 and will be issued as a "white cover" pre-edited version. A final, edited publication will be available early in 2015.

VII. Progress of work on the development and implementation of the subsystems of the System of Environmental-Economic Accounting

System of Environmental-Economic Accounting for Water

- 39. As part of the implementation strategy of SEEA and SEEA for Water, the Statistics Division, supported by an editorial board consisting of experts from the water and statistical communities, continued to work on the development of compilation guidelines of water accounting and statistics. The guidelines provide experts from national statistics offices and water ministries or agencies, as well as other stakeholders in countries, with a tool to assist them in the collection and compilation of water statistics, their integration into the accounting framework, and in the derivation of indicators as part of the development of a monitoring system for water policies. The derivation of indicators is being done in close consultation with the task force of UN-Water on measurement.
- 40. In November 2013, the draft guidelines were reviewed by the meeting of the expert group on water accounting and statistics. The expert group welcomed the document as a useful tool to assist countries in the implementation of water accounts and the strengthening of national programmes on water statistics. In particular, the Group recommended that the guidelines include guidance on alternative data sources to compile the water statistics and accounts, such as remote sensing and modelling. The guidelines will be published as a live document that will be updated on the basis of experiences in countries. Issuing the guidelines on the web will also allow the incorporation of links to relevant documents and country experiences.
- 41. As part of the preparation of the guidelines, consultations are being held with the World Health Organization (WHO) for the harmonization of the concepts and methods in the WHO project for tracking financial flows for water and sanitation, as part of the Global Analysis and Assessment of Sanitation and Drinking Water programme. Similarly, meetings will be held with OECD and Eurostat for harmonization of their water questionnaires in the context of the development of core tables and accounts for SEEA implementation and future data reporting.
- 42. Implementation activities, including assistance to countries in the implementation of SEEA for Water and the International Recommendations for Water Statistics, continued. Workshops were organized in Mauritius, in partnership with the Southern African Development Community and Statistics Mauritius and in

12/15

collaboration with ECA and the World Bank, for six countries¹⁴ in the region; and in Brazil, in partnership with the Brazilian Institute of Geography and Statistics, the National Water Agency, and the Ministry of Environment of Brazil. Technical advice was provided on a continuous basis to several countries, including Brazil, Colombia, Costa Rica, Ecuador, Mauritius and Peru.

System of Environmental-Economic Accounting for Energy

- 43. The Statistics Division has continued to work in close cooperation with the expert group on energy accounts, the London Group on Environmental Accounting, the Oslo Group on Energy Statistics and the Eurostat Task Force on Energy Accounts in order to finalize the System of Environmental-Economic Accounting for Energy.
- 44. The global consultation on the full draft of SEEA for Energy, consisting of seven chapters and annexes, was held from 15 January to 19 February 2013. Forty-four countries and four international agencies provided comments on the draft. The comments received ranged from helpful editorial suggestions to technical input and are available on the project website. By and large, they noted that the draft was well structured and balanced. It provided clear and concise basic principles, concepts and definitions. Substantive issues raised during the global consultation included, among others, streamlining of tables; statistical discrepancies; energy residuals and energy losses; and the boundary of the asset accounts. A summary of the comments received was prepared by the Statistics Division and circulated to the expert group on energy accounts. The expert group held numerous consultations by teleconference and e-mail to discuss the substantive issues raised in the global consultations. Agreement has been reached on all outstanding substantive issues. The Statistics Division has updated the draft to reflect the comments received during the global consultation as well as inputs from the expert group.
- 45. At its forty-fourth session, the Statistical Commission agreed with the finalization process for SEEA for Energy (see para. 1 (j) above). Upon recommendation by the Committee of Experts, the bureau of the Committee will submit the final SEEA-Energy to the bureau of the Statistical Commission for adoption.

System of Environmental-Economic Accounting for Agriculture

46. The Statistics Division of FAO has started the development of an extension to the SEEA Central Framework focused on the integration of information pertaining to agriculture, forestry and fishing. The SEEA for Agriculture is aimed at providing a framework for the organization of information across a range of topics related to the activities of agriculture, forestry and fishing to facilitate the analysis of the relationship between these activities and the environment. It focuses on a group of activities, rather than one specific resource (such as water or energy) and considers the relationship between these activities and the related environmental assets, particularly land, soil, timber and fish resources. The SEEA for Agriculture goes beyond the system of economic accounts for agriculture, issued by FAO in 1996, ¹⁵ since it covers not only the economic data on output, income, costs of production and inputs of

13-63151 13/15

 $^{^{\}rm 14}$ Botswana, Mauritius, Namibia, Seychelles, South Africa and Zimbabwe.

 $^{^{15}}$ See www.fao.org/docrep/W0010E/W0010E00.htm.

produced capital, but also data on physical measures of land use, water and energy use, emissions, fertilizer use, etc. The potential to develop cross-cutting indicators and build a strong database for integrated analysis is a key driver of SEEA for Agriculture.

- 47. Technical work on SEEA for Agriculture began in mid-2013 with the initial design of relevant accounting structures and review of the analytical and indicator needs that might be served by organizing information using the SEEA for Agriculture framework. Testing of the initial accounting design has been under way using data obtained from FAO. Physical flow (supply and use) tables and asset accounts have been designed. Work has commenced on the development of a dynamic database that draws relevant information from various sources within FAO. It is intended for the database to be complemented by a user interface to support the derivation of indicators and detailed analysis. The work has involved ongoing discussions with various holders of datasets in various FAO departments, including those dealing with forests, fisheries, water, energy and emissions, land cover, land use, fertilizer and pesticides and economic accounts. Papers on SEEA for Agriculture have been presented at meetings of the Committee of Experts, the London Group on Environmental Accounting and regional agricultural statistics commissions, as well as agricultural statistics conferences. A range of countries has expressed interest in and support for the project.
- 48. On the basis of the project's findings and feedback to date, the following steps are proposed over the course of 2014: finalize design of the accounts and review data coverage and data gaps; populate the database across the range of SEEA for Agriculture themes for all countries from 2002 onwards and develop an appropriate user interface; refine the links to policy questions, analytical uses and agrienvironmental indicators; identify and support several "proof of concept" countries willing to take the proposed structure of the accounts and compile them in their countries; hold an expert group meeting of data compilers and users to review the initial dataset and the results of the testing in the proof of concept countries; draft the SEEA for Agriculture in coordination with the Committee of Experts; and undertake the appropriate consultation processes. This work should lead to the development of practical tools and materials explaining how the SEEA for Agriculture framework can be developed and used at a country level.

VIII. Governance issues of the Committee of Experts on Environmental-Economic Accounting

49. At its 8th meeting, the Committee of Experts noted that it had completed three years of work, focused primarily on the development of the SEEA Central Framework and its elevation to an international statistical standard and the development of the SEEA Experimental Ecosystem Accounting and the SEEA Applications and Extensions. In accordance with its terms of reference, the Committee requested the bureau to re-evaluate the membership of the Committee, taking into account the change in focus of its work from developing the SEEA manuals to implementing the SEEA Central Framework and testing the SEEA Experimental Ecosystem Accounting. The bureau is undertaking the re-evaluation. At the same meeting, the Committee elected Ian Ewing, Deputy Australian Statistician, as its interim chair up through the

conclusion of the 9th meeting in 2014, replacing Peter Harper, Deputy Australian Statistician, who has resigned as chair of the Committee.

IX. Points for discussion

50. The Commission is invited:

- (a) To express its views on strengthening the dialogue with the policy and more broadly the user community at the global, regional and national levels to advance the implementation of the SEEA Central Framework;
- (b) To express its views on the progress of work and plans to advance the implementation of the SEEA Central Framework, including mainstreaming the implementation of the Framework in the national statistical programmes and developing supporting technical guidance and tools;
- (c) To express its views on the allocation of resources for implementation of the SEEA Central Framework at the national, regional and international levels;
- (d) To express its views on the process to advance the research agenda of the SEEA Central Framework;
- (e) To express its views on the programme of work and the process to advance the research agenda and testing of the SEEA Experimental Ecosystem Accounting;
- (f) To request that the SEEA Experimental Ecosystem Accounting and the SEEA Applications and Extensions be translated into the official languages of the United Nations.

13-63151 **15/15**