



System of
Environmental
Economic
Accounting

The SEEA and Business Accounting

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United Nations

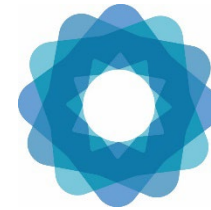
Topics

- Brief overview of SEEA
- Linking the SEEA to the private sector
- UNCEEA Business Accounting Working Group
 - Roadmap
 - Programme of work
 - Recent outputs

The System of Environmental-Economic Accounting (SEEA)

The SEEA is the international statistical standard to measure the environment and its interactions with economy.

- The **SEEA Central Framework** was adopted as an international statistical standard by the UN Statistical Commission in 2012.
- The **SEEA Ecosystem Accounting** complements the Central Framework and was adopted in 2021.
- Close relationship with the **System of National Accounts**



System of
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Assets & Resources + Ecosystems = SEEA



Measures environmental assets and individual resources and how the economy used them.



Timber



Water



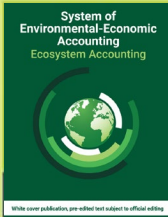
Fish



Soil



Minerals




Measures ecosystems and the services they provide to economic and human activity.




Forests



Rivers



Coral reef



Wetlands

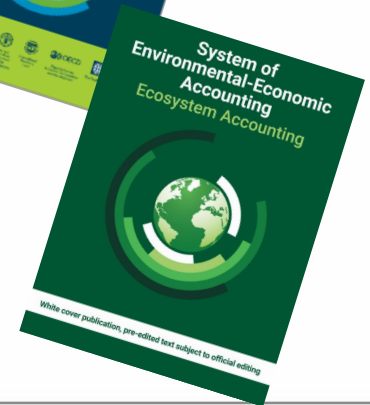
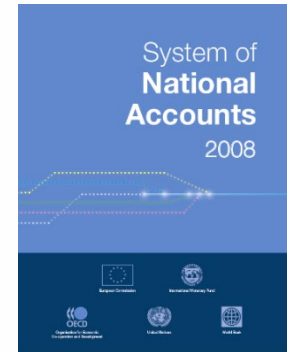
Links with business accounting



Business surveys
Structural business statistics



Benchmarking
Sector-specific statistics



and more

Background: State of Play

- Need for alignment of data and methods which can result in benefits on both sides
- Timing—more and more businesses are undertaking sustainability accounting and reporting
- Literature review and interviews with more than 10 companies completed in 2019, with a focus on ecosystems and biodiversity
 - Voluntary frameworks, approaches and standards with a focus on impact reporting
 - No standardization yet, but there is big demand for greater transparency and disclosure
 - Growing number of initiatives aimed at standardization and harmonization of approaches
 - Growing trend towards mandatory reporting
 - **We now see these trends materializing**

Links with business accounting

- What would alignment look like?
 - > Standardization of definitions, classifications, concepts OR crosswalking and better understanding of relationships
- Benefits of alignment?
 - > On the side of businesses: Meaningful benchmarks and reference levels; new data sources; easier reporting
 - > On side of NSOs: Better quality input data for compiling the accounts

Possible alignment issues

- Substance:
 - > Reporting units (enterprise / establishment)
 - > Scope (upstream / downstream / supply chain / value chain)
 - > Data, particularly granularity
- Complex landscape
 - > Public sector—sustainability and the environment are more and more cross-cutting, but there is one standard for environmental economic accounting
 - > Private sector—multiple organizations and initiatives for standards, reporting, frameworks

UNCEEA Business Accounting Working Group (BAWG)

- Agreed upon in 2019, chaired by INEGI
- Goals:
 - Better linkages between public and private sector natural capital accounting and reporting
 - Increased collaboration and awareness raising
 - Greater exchange and use of high quality, interoperable data on natural capital between businesses and NSOs
- Roadmap for alignment between the SEEA and Business Accounting also in 2020, for 2020-2025

UNCEEA Business Accounting Working Group (BAWG)

- More detailed work programme developed for 2022-2023
- Three activities:
 - Landscape assessment of current major initiatives
 - Collaboration with relevant initiatives and groups
 - Developing SEEA documents for the business community
- Landscape assessment → focus current efforts on alignment with TNFD, EFRAG and ISSB
- Collaboration → group membership; UNSD is a TNFD knowledge partner
- SEEA documents → pilot case studies, SEEA EA for businesses

Example: Collaboration with TNFD

- UNSD is a knowledge partner for the Task Force for Nature-Related Financial Disclosures (TNFD)
- Integrated framework which builds upon existing standards, metrics and data, rather than a new standard
- Goal: Help financial institutions and companies better understand how nature impacts their financial performance and longer-term financial risks
 - Market players can incorporate nature-related risks and opportunities into their strategic planning, risk management and asset allocation decisions
- Framework has three main components (first beta release):
 - Fundamental concepts and definitions
 - Integrated assessment process (LEAP)
 - Draft disclosure recommendations

UNCEEA Business Accounting Working Group (BAWG)

- Upcoming activities:
 - Further input into guideline drafts, as appropriate—e.g. second TNFD beta release of metrics and targets
 - Bilateral consultations and discussions with ISSB and EFRAG
 - Raise awareness of SEEA through events (e.g. Capitals Coalition Government Dialogue Hub)

THANK YOU

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