**ESA/STAT/AC.322**
UNCEEA/11/3b

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

Eleventh Meeting of the UN Committee of Experts on
Environmental-Economic Accounting
New York, 22-24 June 2016

# Cover Note for Session 3.b -

# SEEA Experimental Ecosystem Accounting

Session Organizer: Eurostat

*(for discussion)*

**Session on SEEA Experimental Ecosystem Accounting**

**Cover note summarizing key issues for discussion**

**Paper for UNCEEA meeting, June 2016**

## 1. Introduction

The purpose of this session on the SEEA Experimental Ecosystem Accounting (SEEA EEA) is to discuss the way forward on updating the SEEA EEA handbook, and to develop a programme of work and roadmap to advance the testing and experimentation of the SEEA EEA based on the testing experience that many countries are now working on. This paper summarizes the key issues for discussion at the session.

The SEEA EEA handbook was endorsed by United Nations Statistical Commission (UNSC) in 2013 and published in 2014. The SEEA EEA sparked a significant number of experiments in both developed and developing countries, many of which are currently ongoing.

Given the novelty of the handbook it is no surprise that preparatory works to further clarify and expand the guidance it provides started very soon after its completion. SEEA EEA Technical Recommendations prepared under the ANCA project (UNSD/UNEP/SCBD) are close to being finalized. The Technical Recommendations are an elaboration of the SEEA EEA and provide practical guidance to countries that would like to experiment on the SEEA EEA. The drafting of the Technical Recommendations has highlighted some issues that need further work beyond the timeline for its completion (December 2016) and resulted in the further clarification of the research agenda originally considered by UNSD in 2013. The objective is now to assign responsibility to develop specific issues to various countries/agencies/experts.

One of the important issues that resulted from the initial testing is the need to develop an agreed classification of ecosystem services which bring together the CICES, currently in use in many countries in particular in Europe, and FEGS-CS and NESCS in use in the United States. Work is also under way in testing the SEEA classification of land cover in the development of global baselines and development of national capacity in particular for the SDG (Goal 15).

For detail please see the background document for this session (Doc. BK/3b(1). This background document proposes next steps and an approach to finalize the SEEA EEA Technical Recommendations (the draft of these Technical Recommendations that now has to be finalized is also available as a background comment – Doc. BK/3b(2).

## 2. Research agenda

The background document for this session (Doc. BK/3b(1) provides detail on the elements for a research agenda for the SEEA EEA in its sections 4.1, 4.2 and 5.

Of the items lists in these sections, some can be addressed as part of the finalization of the Technical Recommendations and may not need to be included in the research agenda. The remaining issues listed in sections 4.1, 4.2 and 5 are proposed to be grouped into a list of issues that are to be addressed through actual testing of the SEEA EEA and through methodological research. The following issues are proposed to form the SEEA EEA research agenda:

| | |
|---|---|
| 1 | Spatial units and their delineation |
| 2 | Indicators of ecosystem condition (including the role of composite condition indicators) |
| 3 | Selection and measurement of ecosystem services |
| 4 | Treatment of the atmosphere, the connection to global systems and residual flows |
| 5 | The role of the different ecosystem services classifications |
| 6 | Ecosystem disservices |
| 7 | Intermediate services and dependencies between ecosystems |
| 8 | Articulation of the links between ecosystem assets (and their condition) and the supply of ecosystem services |
| 9 | Role of thematic accounts |
| 10 | Recording activity that maintains or restores ecosystem conditions |
| 11 | Valuation of ecosystem services and assets (including the potential to use restoration costs in the valuation of ecosystem services) |
| 12 | Relating market land values to ecosystem asset values |
| 13 | Defining and measuring degradation |
| 14 | Presentation of accounts – tables and maps |

## 3. Revision of the SEEA EEA handbook

A timeline of revising the SEEA EEA by 2020 is proposed in the SEEA implementation strategy that was agreed in principle by the Statistical Commission at its 47th Session in March 2016. The revision process will need to be put in place in 2016 with the development of an agreed list of issues to be addressed in the next two to three years. For the purpose of the revision process, a Technical Committee on the SEEA EEA, under the auspices of the UNCEEA, is proposed to be established to oversee the process. It is proposed the Technical Committee to develop a program of work for the revision of the SEEA EEA and to advance

the priority areas of research agenda according to agreed outputs, timelines and deliverables. The proposed timeline is as follows:

- Jul – Dec 2016: Establish the SEEA EEA Technical Committee. The editorial board for the SEEA EEA Technical Recommendation serves as this purpose until the Committee is actually set up. The editorial board will assist the editor and review the revised draft of the Technical Recommendations. The Technical Recommendations will be subject to consultation and will be finalized by the end of 2016. Preliminary discussion and identification of issues in the September 2016 London Group meeting.
- 2017: Testing is ongoing in many countries. London Group more formally to discuss solutions to issues arising from the testing and research.
- 2018: Draw lessons on the testing experience and finalize list of issues and present to UNCEEA, including where agreement has been reached already,
- 2019: start drafting the revised SEEA EEA
- 2020: Global consultation and finalization of the revised version SEEA EEA for presentation to the UNSC in early 2021

The timeline is quite tight. In order for it to be achievable, there is a need for strong commitments by various players on testing with the objective of reaching a common approach to ecosystem accounting and advancing the issues in the research agenda, a project management framework and active project management and coordination with the many players in the field, which seem to proliferate as a reflection of the high policy interest and range of specialist skills that are involved in this field. By way of examples, the following are the main initiatives with which it is particularly important to ensure coordination:

- GGIM
- GEO Earth Observation for Ecosystem Accounting (EO4EA) group
- UNCCD, UNCBD, UNFCCC, FAO and UNEP custodians of the indicators for SDG goal 15 on ecosystems
- European initiatives on MAES and INCA
- World Bank initiatives incl. WAVES
- WCMC, BIP initiatives on biodiversity

All these initiatives often represent different communities whose expertise needs to be brought in for the development of agreed revised SEEA EEA and with which an active work of communication and advocacy needs to be done. An important risk for the success of the SEEA EEA to be considered is that of human resources. There is an extremely limited number of people who are familiar with the concepts of the SEEA EEA and none who is expert in all the disciplines needed to develop the SEEA EEA,

**2. Key issues for discussion**

There are three sets of issues:

1. Issues related to the coordination of the activities of different organizations and specialists involved in the testing and development of ecosystem accounts
2. The process of identifying and resolving the key issues emerging from experiences in developing ecosystems accounts (the SEEA EEA research agenda), leading to
3. The process of revising the SEEA EEA and establishing standards.

Questions in relation to these issues are as follows:

*Ad 1. – Coordination of activities linked to experimental ecosystem accounting*

What is the role NSOs should play in testing/implementing the SEEA EEA? What are the key strengths the NSOs can and should contribute to the testing?

What is the best way to set up cooperation with other players, including organizations holding geospatial data?

*Ad 2. – Identifying and resolving key issues arising from experimental ecosystem accounting and updating the SEEA EEA research agenda*

Does the UNCEEA agree with the proposed topics on the research agenda for the SEEA EEA (see table on page 2 of this note and sections 4.1, 4.2 and 5 of the background document)?

Which of the issues should receive priority? Are there any topics missing? Is the relation to the SEEA Central Framework research agenda clear?

Would your institution be willing to be the lead agency on one or more of the key issues / research topics?

*Ad 3. - Revision of the SEEA EEA handbook*

Do you think the timeline presented on page 3 is realistic where a revised version of the SEEA EEA is finalized in 2020?

Could you suggest that some of the topics in the SEEA EEA can move towards becoming statistical standards in 2020?

Would your institution be willing to contribute funding to allow an editor to be hired from early 2018 onwards?