



DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

ESA/STAT/AC.108
UNCEEA/Prelim/6

**Preliminary Meeting of the UN Committee on
Environmental-Economic Accounting
New York, 29-31 August 2005
Two United Nations Plaza, Conference Room 23rd floor**

**PROMOTION OF ENVIRONMENTAL
ECONOMIC ACCOUNTING
STRATEGY PAPER**

**Economics and Trade Branch
Division of Technology, Industry and Economics
United Nations Environment Programme**

Current Situation

In the last decade, environmental-economic accounting (EEA) has followed two trajectories. First, there have been sustained efforts to improve EEA methodologies, thanks to the dedication of the London Group. Second, there has been little internationally visible implementation of EEA that captures policymakers' attention. Key factors contributing to the latter trajectory include:

1. Marginalisation of the environment from the international agenda;
2. Marginalisation of EEA from the environmental agenda;
3. Lack of international leadership on EEA at the policy application level;
4. Lack of funding support for EEA applications;
5. Lack of sustained capacity building efforts; and
6. Lack of efforts to develop simplified tools to facilitate EEA applications.

Long-term Vision/Objective

Within the framework of the UN Committee on Environmental-Economic Accounting (UNCEEA) and as far as promoting and implementing EEA is concerned, the proposed long-term vision is to institutionalise EEA at the international level. To realise this vision, joint efforts are required to work towards adopting an international instrument to engage governments to apply EEA on a voluntary basis.

The instrument, which may take the form of a framework document, may explain what EEA is, why it is necessary to apply EEA, what EEA can do and cannot do, what are the principles guiding EEA applications, how governments and inter-governmental organisations can support EEA applications, what are the procedures for organizing an EEA application, what methodologies are available, among other things. Governments (either the statistical office or the environment ministry) and inter-governmental organizations could subscribe to this instrument. Such an instrument is expected to strengthen the commitments of governments and inter-government organisations to EEA and provide an international framework for supporting national efforts in this field.

The instrument may also include the work on environmental statistics, economic valuation of the environment, and sustainable development indicators or the Millennium Development Goals, given their close linkages to EEA. In addition, separate instruments may be developed for EEA in major sectors such as water, forests, and minerals.

Suggested Course of Action

The following course of action is suggested to achieve the long-term vision:

1. Review EEA experience over the last ten years;
2. Communicate the experience internationally;
3. Secure government support for the concept of the instrument;
4. Develop the instrument;
5. Promote the instrument for its adoption;
6. Develop simplified tools to facilitate EEA implementation;
7. Intensify capacity building efforts at regional levels; and
8. Conduct EEA projects in member countries of the instrument.

Programme of Work (24 months)

1. Commission and publish a rapid review of experience covering both methodological advancement and country-level efforts over the last ten years – UNSD is already planning to carry out this activity;
2. Hold an international conference to share the results of the review and secure support from governments and major inter-governmental organisations for the concept of an international instrument;
3. Set up a working group among UNCEEA members to draft the instrument;
4. Consult with governments on the draft instrument;
5. Hold an international conference to launch the instrument;
6. Commission work on simplified accounting tables to enable EEA implementation in various sectors based on available guidelines endorsed by the UN Statistical Division;
7. Implement 4 regional training workshops; and
8. Design 4 country projects and raise funds for their implementation.

These activities are presented in the table below. The shade includes both the process and outcome. Note that the work on accounting tables is expected to take the entire 24 months if not more. This is because of the need to develop and test the tables for all the major sectors for which guidelines are already available. These tools are essential to capacity building activities and country projects, which will in turn make the instrument meaningful.

Months	Review paper	Int'l wks p	Instrument drafting	Protocol consultation	Protocol launch	Tools	Training	Country projects
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Questions for UNEEA

1. How do the participants feel about the concept of an international instrument?
2. What should the instrument cover?

3. Which country is interested in hosting the first international conference to share experience and discuss the concept of the instrument?
4. Which UNCEEA members would like to participate in the working group to draft the instrument?
5. Which countries are likely to be immediately interested in supporting the instrument?
6. Which institutions, especially those in developing countries and economies in transition, have been involved in capacity building activities on EEA in recent years?
7. Who have previously worked on accounting tables to facilitate EEA implementation? What are the results?
8. Which countries are currently implementing EEA projects? What types of technical support do these countries currently receive from whom? What types of assistance is most needed?
9. Which part of the government should be engaged in discussing the instrument?