Best Practices for Energy and Emissions Accounts

Summary of Discussions at the 21st London Group meeting
2-4 November 2015, Den Haag, The Netherlands

Introduction

This document summarises the discussion of best practices in the compilation of accounts in accordance with the System of Environmental-Economic Accounting: Central Framework (SEEA-CF). The discussions follow on a request from the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEEA), the goal of which was to provide practical compilation guidance that can be incorporated into the Technical Notes. These are being drafted for the various subject-matter areas of the SEEA-CF. Presentations related to this discussion can be found on the London Group website http://unstats.un.org/unsd/envaccounting/londongroup/meeting21.asp hosted by United Nations Statistics Division (UNSD).

Countries and international organisations contributing presentations for this discussion were Eurostat, Sweden, Malaysia, and Norway.

Summary of best practices

Institutional arrangements and cooperation with air emissions inventory compilers was identified as an important collaboration to encourage. This helps with data coherence and also permits the coordination of messaging related to the different totals that can result from SEEA-CF accounting requirements and the accounting or reporting requirements of other international agencies such as the United Nations Framework Convention on Climate Change (UNFCCC).

The need for **guidance on bridging items** was highlighted. These accounting entries help explain the differences in accounting and reporting requirements mentioned above, but they can be difficult to find or derive without additional data or the help of inventory compilers. It is of relevance to note if the bridging goes to the national or the international data sets.

Consistency in time series was mentioned as an important consideration. Changes to methodology (and updating of associated documentation and guidance documents) should be done at specific intervals with plans for back-casting the changes to avoid breaks in the series.

Voluntary reporting and the publication of **pilot accounts** was identified as a good means to test proposed tables and reporting requirements in advance of full implementation.

Distribution keys are often required to estimate energy and air emissions values for industries for which detailed survey data do not exist. Advice on such keys (e.g. gross output, value added, employment, expenditures, etc.) should be provided in the technical notes.

The **harmonisation of international reporting requirements** was identified as an important consideration to avoid duplication of work and response burden. These should be considered in the development of core tables and the work plan going forward in particular for the technical notes but also for the UNCEEA and London Group in general.

There is a need for standard methods and data sources for the compilation of multi-regional input-output models to ensure consistent calculations of **consumption based indicators** which are relevant to both the proposed OECD Green Growth indicators and the Sustainable Development Goals (SDGs).

In some countries the **frequency of the economic census** will make the compilation of annual accounts a challenge since production functions and other important data will be difficult to estimate in the interim. Advice on how to project or estimate the inter-censal periods will be required in these cases.

It was noted that guidance documents and manuals are not sufficient to assist in the compilation of accounts. **Practical documentation and/or training are required** to implement these accounts for new compilers.

Global datasets (e.g. International Energy Agency, OECD, World Trade Organisation, etc.) were identified as important resources for countries beginning a programme of work or training on these accounts. These should be considered as an option for accounts compilers should they not have, or not have access to, detailed data from energy balances and other information sources domestically. Data quality can vary however, so checking and/or confrontation with other domestic sources is recommended.

Technical notes and compilation handbooks should provide a **minimal set of options** when discussing compilation techniques to avoid overwhelming new compilers with too much information. They should also clearly **highlight the value added** by the accounting approach (e.g. the direct link to economic data). This should be considered, keeping in mind the need to make the notes useful in as many countries as possible.

The situation of what to do when there are **no energy data at all** needs to be addressed. Can other information be used in the interim while surveys are being developed?

It was suggested that a **detailed country compilation paper** would be useful additional documentation.

Use of the **IEA questionnaire** was discussed as a tool for guidance and compilation. It was noted, however that this is a very complex source and that there are challenges related to accessibility of the material.