# SEEA Applications and Extensions

**Comment form** 

# **Comment form for the Consultation Draft**

Deadline for responses: 31 January , 2013 Send responses to: seea@un.org

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To submit responses please save this document and send it as an attachment to the following e-mail address: seea@un.org.

The comment form has been designed to facilitate the analysis of comments.

In Part I general comments on the structure and content of the draft document are sought. In Part II any other comments, particularly those of a technical nature should be included.

### **Relevant documents**

Before submitting responses you are encouraged to read Cover Note to the Consultation Draft SEEA Applications and Extensions – Consultation Draft

# Part I: General comments

In the box below please supply any comments on the structure of the document, the balance of material and the coverage of the draft including any thoughts on missing content.

Comments on the style, tone, and readability of the text are also welcome.

Please reference paragraphs numbers or section numbers as appropriate.

In general, the document is comprehensi appropriate to the material.	ve and is well written. Both style and tone are

#### Part II: Other comments

In the box below please supply any additional comments including those of a more technical nature.

## Please reference your responses with the relevant paragraph number or section number.

- 2.43 This para is somewhat confusing. The first example could perhaps drop 'in water supply' to be more readable. The second last example refers to inputs, but perhaps supply is more appropriate here? (Otherwise the discussion of water inputs looks like it could be referring to virtual water content of intermediate use.)
- 2.47 It is debatable whether or not consumption based indicators should be based on multi-regional IO models. Some of the assumptions related to trade harmonisation, currency conversion, adjustments to national IO data, aggregation effects, and estimation for missing years can yield significant influences on the results of these models. In some cases these adjustments and assumptions may yield estimates less reliable than those derived from detailed national data that use the domestic technology assumption.
- 2.61 It is worth noting here that the type of household analysis that is suggested in this para may require an alternate presentation of the data in a standard PSUT given that own account household production is supposed to be allocated to the producing industries. This is particularly relevant if one of the goals is "... to trace flows of individual materials from the point of entry to the economy to the point of use by households" since in some cases households are the actual point of entry.
- 2.70 Again the assumption that MRIO models are more precise (cf. 2.47)
- 2.82 the left-hand side and right-hand side designations should read top and bottom.
- 2.95 Suggest to add pollution prevention to the para since it is one of the 2 key EPE concepts/activities reported. The following change is suggested "On the one hand, their interest focuses on the financial burden that is placed on the polluting industries, as they have to invest in pollution prevention and abatement and control in order to comply with environmental regulations."
- 2.96, first sentence, there is a typo: Environmental Protection Expenditure Accounts (EPEA). The text says "production".
- 2.98, Suggest changing the text to say "shifted to include resource management" rather than "shifted toward resource management."
- 2.103, 105, .106 EGSS has turned into EGGS in a few places.
- section 2.4.3 These paragraphs describe comparing private sector and government activities, but do not mention the possibility of double-counting when comparing expenditures as there are transfers taking place between the two.
- 2.119 the text uses several different means of describing EGSS activities. Here it mentions end-of-pipe and integrated technologies, but does not include the term pollution prevention (pollution prevention and integrated technologies are essentially

interchangeable terms). The paragraph also describes clean technologies and resource-efficient technologies. Using all of these various terms in one paragraph without explanation may be confusing.

- 2.123 introduces the concept of using EPEA to compare expenditure data with physical flows of emissions. The paragraph consists of one sentence that is inadequate to explain a concept with complex measurement challenges. It should be expanded if it is retained.
- 2.142 may benefit from a re-wording or additional clarification. It describes the potential to understand "the reduction in pollution resulting from the introduction of a pollution tax." While some correlation may be observable given the suggested data, a causation effect would require additional analysis.
- 2.196 relative signific(ance).
- 3.29 and 3.30 It may be necessary to adjust the discussion of multipliers or equation 3.2. Equation 3.2 will yield a j by j matrix of coefficients that show the direct requirements of output from each industry the multiplier that shows the direct and indirect requirements would require summing the rows. Adjusting equation 3.2 so that n is not diagonal would yield the summed vector of direct plus indirect multipliers.
- 3.47 In our calculations using the domestic technology assumption, we use the full inverse, not the domestic only version. This shows the domestic requirements for imports in intermediate use, and generates the full footprint. It may be worth considering the modification of equation 3.4 in this regard (i.e. removing the d subscript from the L matrices) while noting that this may require adjustment in some cases where countries have no domestic output of certain products (e.g. refined petroleum products or automobiles).
- 3.48 Again, it is arguable if using the MRIO makes the calculation better. It certainly has the potential to do so, but as mentioned earlier, the aggregations and data adjustments required of most current MRIO databases and models can yield questionable results particularly in countries where trade is primarily with nations that have similar production functions.
- 3.65 The final sentence could be adjusted ("functioning" seems to be extra) in addition it may be worth specifying that the neo-classical principles are economic.
- 3.67 need to rephrase "detailed the representation"

### Annex A3

The summation sign is not necessary in equation [2] since the vector e will collapse the inverse to the column sums once multiplied.

Equations [4 and 5] a horizontal bar would be better to indicate the average, since the  $^{\land}$  implies a diagonal matrix. In addition, should the output variable remain q (as opposed to x) to maintain consistency with the earlier chapters? Both notes also denote the equations as yielding the average multiplier effect, however equation [4] is for the average multiplier.