

Primary purpose of EGSS as well as its measurement is presented in a concise manner. In addition, the relationship between EGSS and EPEA described in section 4.3.4 is quite useful. However, to bring further clarity to the presentation we suggest the following: Adapted goods are defined in several places (paragraphs 90, 89, 80 and 57) in section 4.3 and there are differences in the definitions provided in different places. This could be avoided.

Scope of EGSS: It is mentioned that 'products specifically designed and manufactured for purposes of environmental protection and natural resource management are within the scope of EGSS' (first sentence of paragraph 79). Again it is mentioned (first sentence of paragraph 80) that 'in addition adapted goods are included'. This is confusing. It is necessary to clarify that EGSS consists of 'products specifically designed and manufactured for purposes of environmental protection and natural resource management, and adapted goods'. Further clarity on the EGSS exclusions is necessary. The difference between adapted goods and the goods mentioned in the first sentence of paragraph may be explained with the help of an example. Here also it is mentioned that '...while beneficial to environment, primarily satisfy technical....' How this is different from the explanation of adapted goods provided in paragraph 80? In both the cases, primary purpose is not environmentally related. List of inclusions and exclusions may be brought clearly. Boundary between environmental goods and services and the set of products used for environmental purposes: Explanation on boundary cases, intent of the producer of the product and intended use of the product by the user or purchaser (paragraph 83) is not clear and requires further explanation.

Types of environmental goods and services: Further clarity would be helpful. The difference between sole-purpose and end-of pipe technologies is not clear. Going by the definition of end-of-pipe technologies, equipment produced for control of pollution fall under this (air pollution control devices). However, being the sole-purpose goods, they also qualify to be placed in that class. Therefore, finer differences and boundary issues need to be explained more clearly.

Valuation of adapted goods: In EGSS, the value of adapted goods is the total value of the good rather than the extra cost as applied in the EPEA. As the primary purpose of these goods is not environmentally related, the rationale for taking the total value of goods could not be understood. If one takes the total value of these goods, then these goods would be similarly placed in comparison to other products specifically designed for purposes of environmental protection in terms of their contribution to the EGSS. Valuation of adapted goods: the value of adapted goods that should be included in the EPEA is only the additional cost of the environmental friendly component of the good compared to the normal or standard version of the good. Deciding this extra cost may be difficult in many cases. For example, how the extra cost of adapted goods like light globes mentioned in paragraph 81 can be decided? Further guidance on this issue would be useful. Table 4.3.4: a) valuation did not mention the prices at which various components like output, intermediate consumption, value added and exports have to be measured. We suppose that it assumes that the valuation follows 2008 SNA. We suggest that the valuation basis be mentioned and a reference to 2008 SNA is made; b) A separate column for own-account producers is suggested on the lines of other tables; c) whether specialist producers (column 4) includes specialist general government producers? d) Whether employment numbers have any particular relevance? Paragraph 96: It is mentioned that the estimates of variables other than output such as intermediate consumption, gross value added, etc. should relate purely to the production of environmental goods and services. Use of the word 'purely' is confusing. Output and intermediate consumption should relate to the same set of environmental goods and services. Therefore, clarification on this would be useful.

Relationship between EPEA and EGSS (4.3.4): Presenting the differences in a tabular form would bring clarity on various differences between EPEA and EGSS.