

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS STATISTICS DIVISION UNITED NATIONS SEEA Revision Chapters 1-6

Comment Form

Global Consultation Comment Form

Revised SEEA Chapter 1 - 6

Deadline for responses: 7 December 2011 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: <u>seea@un.org</u>.

The comment form has been designed to facilitate the analysis of comments. In Part I general comments on the general style, content and coverage of the chapter are sought. In Part II any technical and other comments should be included.

Relevant documents

Before submitting responses you are encouraged to read the accompanying papers available on the website.

Revision of the SEEA: Draft Version for Second Round of Global Consultation, October 2011 – Chapters 1-6

Reading guide for the SEEA Revision Second Round of Global Consultation

Supporting material for selected classifications and lists in the revised SEEA

Part I: General comments

This is the first global consultation based on the complete set of chapters for the SEEA Central Framework. In this section please provide general comments on the drafts chapters. You may like to consider providing comments on the style and tone, the content and coverage, and the general accessibility of the material.

This complete set of chapters for the SEEA Central Framework is well structured and balanced, concise and precise and globally clear and understandable.

Part II: Technical and other comments

In the box below please supply any additional comments including those of a more technical nature. As this is the first consultation where the complete 6 chapters have been released, comments on the consistency of the technical content across the chapters would be appreciated.

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

Chapter 1: Introduction

1.14: Sustainable development comprises a social dimension, which is not part of the SEEA, so please correct this § as follow:

"First, the basic intent of the SEEA is to provide the measurement framework for <u>environmental sustainability</u> sustainable development by informing the policy framework on the state of the environment and by..."

"Second, the SEEA framework is broad thus supporting the ambitions of <u>environmental sustainability</u> sustainable development to offer..."

"Seventh, the SEEA framework can be used to monitor the extent to which patterns of production, consumption and accumulation are becoming more <u>environmentally</u> sustainable. The..."

"Eighth, the SEEA provides a catalyst and mechanism for the engagement of experts from across the multiplicity of fields that relate to <u>environmental sustainability</u> sustainable development."

1.19: Please add: "Many of these individual components may be regarded as environmental assets that provide materials, energy and space to all economic activities."

Chapter 2: Accounting framework

2.14: Please add: "... products circulate within the economy (e.g. electricity, food, clothes) or are added to the capital stock;"

2.29: Please add: "This section introduces the different tables that are part of the SEEA <u>central framework and...</u>"

Table 2.3.2 and 2.3.4, § 2.88: Please specify where the flows of natural inputs directly extracted by households (such as water, wood, wild crops or bush meat) for final consumption are taken into account.

Table 2.3.4: lease add the following note to this table:

*** The distinction between produced assets and environmental assets does not mean that environmental assets could not be restored by human activities (e.g restoration of environmental functions of water bodies as aquatic habitats)

2.102: As ecosystem services are normally considered as flows, not as stocks, please correct the first sentence as follow: "Environmental assets also encompass ecosystems, which provide-and ecosystem services."

Chapter 3: Physical flow accounts

§ 3.43: Please specify where the flows of natural inputs directly extracted by households (such as water, wood, wild crops or bush meat) for final consumption are taken into account.

§ 3.56: Photosynthesis is part of the metabolism of the phototrophic organisms. The two terms (metabolism and photosynthesis) should therefore not be juxtaposed like it is in the text.

§ 3.60: The plant root exudates (release of carbon) should not be treated in *Input from the soil* but in *Residuals* likely as dissipative uses of products.

§ 3.190: Hydroelectric power generation: Note that in many countries such data will not be available for public use (e.g. due to security reasons) or that such data will be rather meaningless in case of multiple use (e.g. cascade hydropower systems in the Alps).

§ 3.220 and 3.221: It would be helpful if the difference between *hydrological water consumption* and *economic use of water* could be better explained.

Chapter 4: Monetary flow accounts

Chapter 4: Please specify in this chapter how activities like organic agriculture, eco-friendly tourism or resource-efficient manufacturing are treated and explain shortly why.

§ 4.1: Please add: "... that reflect efforts by the governments society to influence..."

§ 4.65: Please delete bio-fuels as an example of adapted good. In fact, bio-fuels are not generally "environmentally friendly" but many of them have a dramatic impact on the environment.

§ 4.113: Second sentence is not clear.

§ 4.135: Based on what is said in § 4.140 (...it may not be the case that the expenditure of the transferred resources results in beneficial environmental outcomes even if this was the intent), we prefer the title "environmentally related subsidies and similar transfers" over the proposed one "environmental subsidies and similar transfers".

§ 4.144: Please explain shortly why a definition of PEDS is not included in the SEEA.

§ 4.145 and 4.147: We prefer the term "environmentally related taxes" of the previous draft

over the term "environmental taxes". In fact, the scope proposed for the environmentally related taxes is defined by the tax base and thus includes not only incentive taxes but also taxes with a fiscal purpose but whose tax base is a physical unit of something with negative impact on the environment.

§ 4.150: Please mention the case of incentive taxes, for which the intended purpose is also known and is clearly environmental, but whose revenues are not earmarked for environmental protection.

§ 4.154: Given the importance of taxes on petro/gasoline, can we really speak of "minor" exception?

§ 4.151 iv: Please correct "For detail on the treatment of rent see paragraph 4.15<u>6</u>" and explain more precisely why payments to government for the use of land (which is often privately owned) or natural resources should be treated as rent and are therefore excluded from resource taxes.

Chapter 5: Asset accounts

Figure 5.2.1: Please add "...with no economic value according to SNA scope".

Table 5.6.1: It might be worth to consider to treat the proposed new category "areas used for maintenance and restoration of environmental functions" as separate category or land class which could be superimposed to various kinds of land use categories rather than include it into the proposed closed system of land use nomenclature. According to our experience, such areas are frequently part of another type of land use, such as forestry or agriculture, and may not completely exempt from that type of use (restricted agricultural or forestry use may be totally compatible, or even required, to ascertain the envisaged purpose of "maintenance and restoration of environmental functions").

Chapter 6: Integrating and presenting the accounts

6.103: Decoupling indicators based on a ratio calculated like this does not show whether the decoupling is relative or absolute even if it is crucial to know that from the point of view of the environment. Please specify that it is absolutely necessary to present such decoupling indicators together with the numerator and the denominator curves in absolute value.