

Report on the Recommendations on the Global Implementation of the System of Environmental-Economic Accounting

Introduction, objectives and background

Introduction

With the adoption of the System of Environmental-Economic Accounting (SEEA) 2012 – Central Framework as an international statistical standard, the United Nations Statistical Commission mandated the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEEA) in 2012 with the preparation of a global implementation strategy. The Commission at its 44th session in 2013 adopted the implementation strategy for the SEEA implementation contained in the background document *Implementation Strategy for the System of Environmental-Economic Accounting*¹, prepared by the UNCEEA. The Commission requested the UNCEEA to develop a programme of work for the implementation of the SEEA.

The draft medium-term work programme of the UNCEEA providing the framework for the implementation of the SEEA was discussed at the 8th Meeting of UNCEEA in June 2013.² The proposed work programme envisaged that the UNCEEA will focus on developing mechanisms and tools in support of the implementation of the SEEA Central Framework and assist countries to test the SEEA Experimental Ecosystem Accounting. It was agreed that further details of the UNCEEA work programme on the SEEA implementation need to be developed.

In order to facilitate moving from the implementation strategy to a global implementation programme for the SEEA, an international conference was held from 17 to 19 June 2013 in New York. The Recommendations on the Global Implementation of the System of Environmental-Economic Accounting reflect the consensus reached at the international conference “Global Implementation Programme for the System of Environmental-Economic Accounting”³ that was jointly organized by the United Nations Statistics Division, the Convention on Biological Diversity, the European Environment Agency, Eurostat, the Food and Agriculture Organization of the United Nations, the International Monetary Fund, the Organization for Economic Cooperation and Development, the United Nations Development Programme, the United Nations Environmental Programme and the World Bank. The conference provided an important forum for national, international and non-governmental organizations and experts from scientific and academic institutions to discuss the implementation programme of the SEEA Central Framework and the testing and research agenda of the SEEA Experimental Ecosystem Accounting. The conference concluded by agreeing on a set of recommendations for taking the implementation of the SEEA Central Framework and the testing of the SEEA Experimental Ecosystem Accounting forward.

Objectives

The recommendations are presented in this document in order to contribute to the development of the global implementation programme of the SEEA. The objectives of the recommendations are: (a) to promote strategic planning and programming to improve the availability, scope, detail and quality of environmental-economic accounts and supporting statistics at the country level; (b) to facilitate adopting procedures for coordination,

¹ See <http://unstats.un.org/unsd/statcom/doc13/BG-SEEA-Implementation.pdf>

² See <http://unstats.un.org/unsd/envaccounting/ceea/meetings/UNCEEA-8-7g.pdf>

³ See http://unstats.un.org/unsd/envaccounting/workshops/SEEA_Conf_2013/main.htm

monitoring and reporting on performance through a common programme information structure and strengthen international coordination among development partners; and (c) to strengthen national statistical capacity for producing environmental-economic accounts and related basic statistics through training and technical cooperation, publication of manuals and handbooks, research and advocacy of environmental-economic accounts and statistics for policy purposes as part of a national statistics development strategy. The present set of recommendations will form the basis for further discussions by the UNCEEA on the global implementation programme for the SEEA.

Background

Environmental-economic accounts provide the conceptual framework for integrated statistics on the environment and its relationship with the economy, including the impacts of the economy on the environment and the contribution of the environment to the economy. They provide a key input to evidence based policy making. In numerous occasions, including Agenda 21, the outcome document of the Rio+20 conference and the High Level Panel Report, the international community has expressed its strong support for the compilation of environmental-economic accounts by countries.

In order to guide countries in their compilation of environmental-economic accounts, the international community, under the leadership of the United Nations Committee of Experts on Environmental Economic Accounting (UNCEEA), has developed the System of Environmental Economic Accounting (SEEA). The SEEA is comprised of three parts: SEEA Central Framework which is an international standard, SEEA Experimental Ecosystem Accounting and SEEA Applications and Extension.

The SEEA Central Framework is a multipurpose conceptual framework for understanding the interactions between the economy and the environment, and for describing stocks and changes in stocks of environmental assets. It puts statistics on the environment and its relationship to the economy at the core of official statistics.

The SEEA Experimental Ecosystem Accounting provides a synthesis of the current knowledge in the ecosystem accounting and provides a starting point for the development of ecosystem accounting at national and sub-national levels. It presents a complimentary perspective on environmental-economic accounting to that in the SEEA Central Framework. The United Nations Statistical Commission at its 44th session in 2013 ‘[w]elcomed the SEEA Experimental Ecosystem Accounting as an important first step in the development of a statistical framework for ecosystem accounting, and encouraged its use by international and regional agencies and countries wishing to test and experiment in this new area of statistics.’

The SEEA Applications and Extensions provides potential compilers and users of SEEA based environmental-economic accounts with material to show how this information can be used in decision making, policy review and formulation, analysis and research. It provides a bridge between compilers and analysts allowing each to recognise the potential uses and the related measurement considerations.

Recommendations

The agreed recommendations on the global implementation of the SEEA are organized into three broad categories (i) strategic planning, (ii) coordination, monitoring and reporting and (iii) national statistical capacity building, and are based on the principles of “Managing for Development Results”⁴.

⁴ See “Managing for Development Results” available from www.mfdr.org.

The recommendations on strategic planning are further grouped into 3 categories. The first group provides recommendations on the overall strategic planning for the implementation of environmental-economic accounts and supporting statistics. The second group contains the recommendations that apply to SEEA Central Framework while the third group contains those pertaining to SEEA Experimental Ecosystem Accounting.

Recommendations on SEEA overall strategic planning

Strategic planning is an important tool to guide the development of the national statistical programmes, increase political and financial support for investment in statistics, and ensure countries will be able to produce the data needed for monitoring their sustainable development plans including measuring sustainable development goals.

Strategic planning at the country level involves the development of a targeted implementation plan for environmental accounting based on self-assessment of information needs and data availability and quality, using a phased approach to implementation. In recognition of differences in the policy issues and the environmental circumstances facing countries and taking into consideration the different levels of statistical development, a flexible approach should be followed in the SEEA implementation.

Countries are encouraged to use strategic planning frameworks to develop a programme for statistical capacity building to achieve their national development objectives. Strategic planning has a number of benefits. First, it is the best way to obtain political and financial support for investment in statistics. Second, it can be used to identify existing strengths and weaknesses in statistical capacity to produce key indicators on the environment and basic source data for their compilation. Third, it can be used to lay out a schedule of tasks to address the weaknesses. Fourth, it can be used by countries to produce the information need for monitoring their own sustainable development programmes.

The major themes of the recommendations on SEEA strategic planning stress the need for leadership, guidance and human and financial resources for the implementation of SEEA. Furthermore, the successful, sustained production of environmental-economic accounts requires a proper communication strategy to raise awareness of the SEEA as a measurement framework for sustainable development and the Post-2015 development agenda, and to show their usefulness in evidence based policy making.

1. *As expressed in the Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda "A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development"⁵, it is important to seize the window of opportunity created by high-level government recognition of the key role of statistical systems in monitoring progress on policies to be developed through the post-2015 agenda. UNCEEA should develop a short-term program of work for SEEA implementation, demonstrating the role of SEEA in monitoring and reporting requirements, including the setting of baselines in post-2015 agenda, as well as a longer-term road map for implementation.*

2. *To secure resources for the implementation of the SEEA Central Framework and the testing and further development of SEEA Experimental Ecosystem Accounting and as part of its resource mobilization strategy, UNCEEA should explore funding opportunities available*

⁵See <http://www.post2015hlp.org/wp-content/uploads/2013/05/UN-Report.pdf>

through global initiatives, particularly those initiatives that have a strong component on measurement.

3. *A strategy should be put in place to ensure appropriate human and financial resources be made available at the global, regional, and national levels to facilitate successful implementation of the SEEA accounts. UNCEEA should develop and provide leadership for a resource mobilization strategy.*

4. *The SEEA requires a global communication strategy that targets multiple potential audiences (e.g., policymakers, academia, private, general public, NGOs and media) and conveys the key SEEA messages, presented in ways that appeal to various audiences. The strategy would also include tools that would assist countries in raising awareness of the SEEA. Funding and recruitment of dedicated communication and marketing specialists is critical to the development of the SEEA communication strategy.*

5. *There is a need to provide guidance and assistance on including the SEEA implementation in national and regional strategic frameworks (inter alia National Statistical Development Strategy, National Development Plans, National Sustainable Development Plans, National Biodiversity Strategy and Action Plans) as critical tools for policy planning and development.*

6. *While ad-hoc approaches to environmental-economic accounting can provide immediate, important information for policy makers, they should be gradually transformed into coordinated efforts to produce a sustainable programme of environmental-economic accounts and supporting statistics as part of a national statistical development strategy and for use in policy development, implementation, and review.*

Recommendations on SEEA Central Framework strategic planning

This group of recommendations is specific to the SEEA Central Framework. They note the importance of the SEEA Central Framework as a measurement framework and its usefulness to address policy demands for information on the relationship of the environment and the economy as well as sustainability issues.

Strategic planning calls for the development of strategic implementation plans at the regional/sub-regional and national levels. Sub-regional and regional organizations play an important role from a statistical development point of view, bringing together countries through promoting standards, developing capacity, and fostering south-south cooperation for compiling economic accounts and related statistics. Strategic implementation plans focus on delivering results within a proposed time frame by following an incremental approach. While the SEEA implementation adopted a flexible and modular approach, it is possible and necessary to agree on benchmarks that are universally attainable within a specific period.

7. *Strategic plans of implementation followed by roadmaps for implementation of the SEEA Central Framework at the regional/sub-regional and national levels should be developed by countries using a flexible and modular approach with statistical and institutional deliverables, including baselines developed for the near term (by 2015/6) using an accelerated approach, medium-term (by 2020), and long-term (by 2030). This approach should take into consideration country priorities and their level of statistical development.*

8. *Considering it addresses economic and environmental information in an integrated manner, SEEA Central Framework is an important framework for monitoring and*

accountability related to the post-2015 agenda, reaffirming the importance of mainstreaming the SEEA.

Recommendations on SEEA Experimental Ecosystem Accounting strategic planning

This group of strategic planning recommendations pertains to the SEEA Experimental Ecosystem Accounting. Ecosystem accounting is a relatively new area of official statistics and as such there is a need to test concepts and continue research. There is also a need to coordinate among the many international initiatives and projects that are active in the area of ecosystem accounts.

To move the testing of the SEEA Experimental Ecosystem Accounting forward and advance the research agenda, there is strong emphasis on building on the existing initiatives related to ecosystem services. Countries interested in starting the testing of ecosystem accounts need guidance and technical support to apply methodology according to the SEEA EEA framework.

9. *There is a need for leadership and coordination from UNCEEA in advancing the SEEA Experimental Ecosystem Accounting testing and research agenda. This should include developing a project or projects and collaborating with ongoing and proposed projects developed by other institutions (e.g., countries, international agencies, NGOs, academia). This work, which would involve those countries who are willing to participate, should move forward quickly to provide examples of its potential use. One specific early area of testing may be in the development of baseline measures of ecosystem condition, including biodiversity.*

10. *Testing of the SEEA Experimental Ecosystem Accounting by countries that are willing to be involved in this work should commence.*

11. *In advancing the research agenda and testing of the SEEA Experimental Ecosystem Accounting, UNCEEA should establish cooperation with global initiatives related to ecosystem services (inter alia, WAVES, IPBES, TEEB, VANTAGE).*

Recommendations on coordination, monitoring and reporting

Given the complex nature and the many partners contributing to the global implementation of SEEA, there is a need for developing adequate coordination, monitoring and reporting mechanisms. The efficiency and sustainability of a global implementation programme for the SEEA rest on strengthening cooperation at the national, regional and international level with the diverse groups of stakeholders including government and non-government organizations, statisticians, policy makers and scientists. Coordination ensures that the roles of the international and regional organizations are clear and their actions complementary and efficient.

Since coordination occurs at multiple levels, it is necessary to streamline the implementation of the SEEA and the efficient use of resources. At the international level, a partnership is to be created in order to facilitate the implementation and mainstreaming of SEEA. Regional commissions, in collaboration with regional statistical institutions are to play an important role in the coordination of the implementation of SEEA given that implementation plans will

vary by regions and within regions. These agencies are uniquely positioned to not only coordinate, but also monitor and report on implementation and as such should act as a link between international organizations, donors, regional partners and the countries in their respective regions. While the implementation of the SEEA is driven by country demand, the global and regional context within which implementation activities occur should be taken into account.

Monitoring progress towards the sustained production of environmental economic accounts is another component that is needed for the successful implementation of SEEA. At the global level, it not only helps in keeping track of what has been accomplished but also allows for lessons learned to be shared among different institutions.

Coordination has a significant role also because the implementation strategy of SEEA calls for a modular and flexible approach to implementation. It is envisioned that the process of implementation in countries will initially focus on those accounts that the country deems most important to guide in evidence based policy making. While priorities, and hence the type of accounts that are compiled, might be different across countries, harmonized core tables should be used to not only facilitate comparison but also streamline the reporting process and allow countries for better cooperation.

It is essential to maintain close links between the SEEA implementation and the SNA implementation programmes. Considering the synergies between these statistical standards, their implementation programmes need to be closely coordinated to ensure that capacity building programmes are aligned and proceed in a coordinated fashion in order to develop efficient data production process in the countries.

12. There should be strong coordination and cooperation among international agencies working on activities related to the implementation of the SEEA (e.g., IMF, UNDP, UNEP, World Bank/WAVES and OECD) at the international, regional and national levels. To facilitate coordination and cooperation, a partnership for the implementation and mainstreaming of SEEA should be created with clear delineation of roles and responsibilities of international organizations. The details of this partnership would need to be worked out at the later stage.

13. The SEEA Central Framework implementation and SNA implementation should, where relevant, proceed in a coordinated manner at the country level to ensure efficient development of a common statistical infrastructure and operations. National coordination arrangements, including inter-agency, north-south and south-south coordination, should assist in establishing continuing and sustainable production of relevant SEEA and SNA data.

14. Multiple mechanisms exist and should be explored to facilitate coordination among the international and regional agencies at the country level (e.g., UN Development Group, UN Country Teams, UNCEEA). UN Regional Commissions and sub-regional organizations should play a key role in the sub-regional and regional coordination of implementation. This coordination will reduce duplication of efforts by international, regional, and national development partners and assist countries in developing a coherent national strategy aligned with the sub-regional and regional strategies.

15. Taking into account the mandate given to UNCEEA by the UN Statistical Commission as the governing body for the overall coordination of statistical matters with regard to implementation of SEEA, appropriate resources should be dedicated to the UNCEEA Secretariat to facilitate the global coordination of the SEEA implementation.

16. *UNCEEA should develop a mechanism for tracking progress of countries in the implementation of the SEEA. A single central system for reporting SEEA information to international organizations should be pursued to increase the efficiency of national reporting of SEEA data. International organizations should cooperate to the extent possible when it comes to reporting SEEA information to international organizations, for reasons of efficiency, minimizing countries' response burden and consistency of data.*

17. *There is a need to develop draft common core tables (such as for water, forest, energy, land cover/use) for guiding countries in the SEEA Central Framework implementation in the short term. In the medium to long term, these draft tables should be progressively developed, in harmonization with reporting requirements from other organizations (e.g. Eurostat and OECD), into national reporting tables and should be aligned with existing and developing policy frameworks (e.g., the post-2015 agenda).*

18. *To facilitate early implementation of SEEA and drawing on its strength as an organizing framework, existing data – environmental and economic - should be used as appropriate. Standardized approaches for addressing missing data should be developed and used as appropriate.*

Recommendations on national statistical capacity building

The SEEA implementation is a country driven process following a bottom-up approach with countries taking ownership for initiating and becoming engaged in environmental accounting. As such, there needs to be coordination within the different institutions in a country that produce the basic information required to compile the accounts, with the national statistical offices leading the coordination and implementation processes. In order to fulfill their leading role, national statistical offices need to be empowered and supported through capacity building.

To guide and help countries in the SEEA implementation, a number of initiatives are planned and undertaken by international organizations. In this process, maximum use is made of existing tools and technical materials. Additional tools and materials that give concrete guidance to not only the compilation of the accounts but also help with setting up the national implementation plan and coordination are also developed (e.g. implementation guide, technical notes, diagnostic and assessment tools). These materials along with country examples, training materials and other relevant documents should be collected and shared through a publicly available central e-platform.

The enhanced capacity for implementing environmental accounts allows countries, depending on their policy priorities and the achieved level of statistical development, to take advantage of the flexible approach of SEEA implementation and choose which accounts to compile and agree on an incremental stage of implementation adding more detail to existing accounts or adding more themes or modules to the accounts.

SEEA implementation also requires the mobilization of resources to help build capacity in countries. Donors are encouraged to contribute to the implementation of SEEA and help build capacity in countries for the sustained production of environmental economic accounts.

19. *The SEEA implementation needs to be a nationally owned and country-led process, with capacity building and coordination from international agencies and within countries as required.*

20. *National statistical offices (NSOs) or their equivalent, as appropriate, have a lead role in national statistical systems and countries are encouraged to empowered NSO's or their equivalent for the implementation of the SEEA and supporting statistics at the national level. Capacity building and advocacy, supported by relevant international organizations, will be critical in this regard. Countries are encouraged to define a national coordination mechanism with clear roles and responsibilities for different institutions, including identifying a lead agency or agencies that will champion and coordinate the work.*
21. *Based on the country priorities for SEEA implementation, additional SEEA implementation tools and materials are to be developed. These materials and tools need to be developed in a coordinated manner and reviewed by UNCEEA and appropriate technical expert and city groups groups (e.g., London Group, Oslo Group) for consistency with the SEEA framework.*
22. *Countries are encouraged to develop and coordinate their individual SEEA communication strategies using existing channels, where possible, and, depending on the specific national circumstances, innovating with new communication approaches that reach a wide range of potential audiences.*
23. *Through a collaborative process, international agencies should create and further develop a publicly accessible e-platform, which would include a forum for exchange of environmental-economic accounting knowledge (e.g., expert and user discussions, FAQs, user communities) and a central, accessible repository for existing SEEA implementation materials and tools (e.g., presentations, training materials, technical notes, implementation guides, compilation manuals, simplified diagnostic tools and those tools being prepared in the context of other initiatives such as FDES, etc.). The goal of this e-platform would be to provide easy access to implementation materials and tools by the various potential users as well as facilitate exchange on knowledge, experiences, and lessons learned in the SEEA implementation.*
24. *UNCEEA needs to prioritize translation of tools and materials into multiple languages in order to facilitate national implementation in non-English speaking countries.*
25. *Sharing country experiences was considered an important aspect of building capability within countries, including possibilities of South-South cooperation, North-South cooperation, and triangular cooperation.*
26. *Innovative data sources (e.g., big data, remote sensing data) should be considered, as appropriate, when compiling the SEEA accounting tables. Moving forward there is a need to establish collaboration between the statistical community, the environment community and the geospatial community, including, inter alia, the Global Earth Observation System of Systems and the Global Geospatial Information Management (GGIM).*

Conclusions

The implementation of the SEEA Central Framework is expected to result in improved national statistical capacity for producing environmental accounts, enhanced quality of basic statistics, better conceptual consistency and improved comparability of the accounts produced, strengthened coordination in capacity building, better monitoring and reporting on the status of the sustained production of environmental-economic accounts and more intensive and appropriate use of environmental accounts and related indicators in policy making.