International Seminar "Towards Linking Ecosystems and Ecosystem Services to Economic and Human Activity"

(New York, November 2012)

Concept Note

Background

- 1. The SEEA Experimental Ecosystem Accounts is being drafted as part of the revision process of the SEEA. The Statistical Commission at its 43rd Session in February 2012 adopted the SEEA Central Framework as an international statistical standard. It further reaffirmed its support in the preparation of the SEEA Experimental Ecosystem Accounts and the SEEA Extensions and Applications. The UN Committee of Experts on Environmental-Economic Accounting (UNCEEA) at its Seventh Meeting in June 2012 in Rio de Janeiro evaluated progress made in the development of the SEEA Experimental Ecosystem Accounts and recommended that the SEEA Experimental Ecosystem Accounts be completed and submitted to the UN Statistical Commission at its 44th session in February 2014 for publication as a guide to further work in this challenging area of statistics.
- 2. Ecosystems are a dynamic complex of biotic communities interacting with their non-living environment. They change both as a function of natural processes and because of human actions. Monitoring the flows of services provided by the ecosystem to society as well as the capacity of the ecosystem to continue to provide the services are addressed in the SEEA Experimental Ecosystem Accounts. This document thus complements the SEEA Central Framework by providing the conceptual framework to measure not only provisioning services (e.g. timber and fish) but also other services such as waste absorption, water regulation, etc generated as part of the functioning of the ecosystems.

3. The SEEA Experimental Ecosystem Accounts will not be an international statistical standard but will provide the state of the art in applying systems approach to the measurement of ecosystems within a broad framework that can be related to the SEEA Central Framework. There is still limited practical experience in implementing such accounts especially in the context of national statistical offices. Nevertheless convergence in methodological concepts has emerged as evidenced by the discussions that took place during the various expert group meetings that took place during the course of 2011 and 2012.¹

Purpose of the International Seminar "Towards Linking Ecosystems and Ecosystem Services to Economic and Human Activity"

4. The process for developing the SEEA Experimental Ecosystem Accounts mimics the process for the development of the SEEA Central Framework with the exception of a limited global consultation process which is required for a standard. The objective of the SEEA Central Framework was to elevate environmental-economic accounting to the realm of official statistics and as such it needed to undergo several rounds of global consultation in order for the statistical offices to review and accept the concepts as methods presented in the document and ensure that the text reflects current practices in countries. An important phase of the elevation of the SEEA Central Framework to the level of international statistical standard was the global consultation which was undertaken in all phases of the drafting, starting from the individual recommendations on the issues in the issue list for the revision of the SEEA, the consolidated set of recommendations, the individual chapters and finally the complete draft document. Furthermore it provided an opportunity for national statistical offices to build closer communication and work relation with other ministries producing basic environment statistics that serve as inputs in the SEEA Central Framework standard tables as well as the users of the information generated by the accounts.

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¹ Launch of the Global Partnership for Wealth Accounting and Valuation of Ecosystem Services (Washington DC, March 2011); First Expert Meeting on Ecosystem Accounts (Copenhagen May 2011), Second Expert Meeting on Ecosystem Accounts (London, December 2011), Third Expert Meeting on Ecosystem Accounts (Melbourne, May 2012)

- 5. The SEEA Experimental Ecosystem Accounts on the other hand is a new and emerging field of measurement which builds on well established disciplines the science of ecosystems, environmental economics and national accounting and its application to environmental measurement. It applies accounting concepts, definitions classifications and rules to the measurements undertaken as part of scientific work. The SEEA Experimental Ecosystem Accounts represent the current thinking on ecosystem accounting but are still far from being considered agreed tested methodology. Only few countries are now embarking on the journey of experimenting with this new area of statistics. The process of drafting the SEEA Experimental Ecosystem Accounting and the few practical experiences have demonstrated that compiling such accounts is truly a multidisciplinary undertaken which requires the engagement of expertise from different communities representing the disciplines. No community can implement the ecosystem accounts on its own.
- 6. Because of the above considerations, the UNCEEA did not consider it appropriate to undertake a series of global consultations on the SEEA Experimental Ecosystem Accounts on the various drafts and issues. While it is considered important to inform and hold consultations with the statistical offices through a global consultation of the draft chapters of the SEEA Experimental Ecosystem Accounts once, it suggested an alternative strategy targeted to better communicate with the NSOs and establish a dialogue between the different communities.
- Accounts. The statistical community needs to expand the Central Framework to better respond to the policy demands by integrating information from the science and environmental economics fields in the accounting structure to incorporate the capacity and the change in capacity of ecosystems to produce services. The SEEA Experimental Ecosystem Accounts need to provide the necessary classifications to organize the information and link it to other parts of official statistics. The statistical community needs to ensure quality of scientific data through the agreed data quality assurance processes for other areas of statistics used in the proposed measurement framework.

- 8. The scientific community needs to ensure the sound conceptual underpinnings of the document and provide expert advice on issues such as the measurement of the condition of ecosystems and their capacity to provide services. The environmental economists and national accountants need to ensure the underlying principles of monetary valuation of national accounts are maintained when using valuation techniques commonly used in environmental economics to value public goods.
- 9. Although representatives from all disciplines have contributed to the drafting and review of draft chapters at various stages of development, it is important that a targeted consultation is established among the communities. Apart from individual consultations with reputed members of each of the communities, an international seminar should bring the various communities together to discuss and understand the roles of the different communities, the institutional mechanisms to develop the partnership and the statistical mechanisms and infrastructure to allow for data collection, exchange and compilation between data providers, producers and users in developing ecosystem accounts.
- 10. An international seminar was considered the appropriate mechanism to have an informed discussion on the SEEA Experimental Ecosystem Accounts and start establishing a dialogue among the different communities with the objective of advancing concepts, methods and implementation of the SEEA Experimental Ecosystem Accounts in view of the growing demand of such information.

Structure of the seminar

11. The seminar is expected to discuss the growing demand for information on ecosystem management and ecosystem capital. Several initiatives at the national and international level have demonstrated that there is a convergence in methodology in generating such information in particular building on existing work being carried out by scientific communities. The SEEA Experimental Ecosystem Accounts have been

developed building on national and international experience and the consensus that has emerged during the recent period.

- 12. The seminar will discuss in greater detail the extension of the statistical methodology presented in the SEEA Central Framework to the measurement of ecosystems, in particular the notion of statistical units for ecosystem accounts, the classification of ecosystem services and its linkages to the classification of flows in the Central Framework, the accounting structure, the measurement of ecosystem capital in physical terms and issues linked to valuation.
- 13. The seminar will also discuss the state-of-the-art of the ecosystem accounting from the scientific perspective. It is envisaged that the scientific community will provide expert opinion to ensure the sound conceptual underpinning of the draft chapters on SEEA Experimental Ecosystem Accounts and give recommendations on issues such as the measurement of the condition of ecosystems and their capacity to provide services.

Organizers of the Seminar

14. This seminar will be jointly organized by several international agencies under the auspices of the UNCEEA in close collaboration and consultation with other countries, regional commissions and international organizations. The meeting will held at the United Nations in New York on 27-29 November 2012 and will be jointly organised by UNSD/DESA, the World Bank, the United Nations Development Programme and the United Nations Environment Programme.

Participation

15. It is envisaged that senior officials from national statistical offices, government agencies (e.g. ministries of environment, finance, etc.) and experts from the scientific environmental economics communities will participate in the meeting with the objective

of establishing a dialogue and possibly a long-term partnership among the various groups.

- 16. With the objective to improve the geographical coverage of the worldwide consultation of the SEEA Experimental Ecosystem Accounts, the seminar should have appropriate representations from developed, emerging and developing countries. Funding will be provided for a limited number of developing countries.
- 17. Considering the role and responsibility of the regional commissions in strengthening the implementation of the SEEA Experimental Ecosystem Accounts, and their reporting requirement on the ecosystem assessment of the region, UNECA, UNECE, UNESCAP, UNECLAC and UNESCWA are invited.