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Environmental-economic accounting

Background document
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Coordination of activities of groups working within the mandate of UNCEEA

Prepared by the Committee of Experts on Environmental-Economic Accounting
(UNCEEA)

Introduction

1. The Committee of Experts on Environmental-Economic Accounting (UNCEEA) provides information on the progress of activities carried out by city groups, other technical expert groups and organizations working within the mandate of the Committee. The present note includes activities related to the work programme of the Committee undertaken and planned by the London Group on Environmental Accounting, the Oslo Group on Energy Statistics, Eurostat, the Organization for Economic Cooperation and Development, the Food and Agriculture Organization, the World Bank, the United Nations Development Programme, the United Nations Environment Programme and United Nations Regional Commissions such as the Economic Commission for Europe, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific, and the Economic and Social Commission for Western Asia.

A. London Group on Environmental Accounting

2. The London Group on Environmental Accounting met in London, United Kingdom from 12 to 14 November 2013. The main goal of the meeting was to make progress on core tables and accounts and associated technical notes for selected modules of the SEEA Central Framework in support of the SEEA implementation and future reporting. The meeting was organized around topic teams that addressed specific areas of environmental accounting. The topic team leads chaired the sessions and organized presentations around outstanding issues, proposed core tables, and existing reference materials. The group discussed these presentations and the topic teams were tasked with incorporating any relevant comments into the material before forwarding the body of work to UNSD for further work. It is expected that the new Steering Committee on SEEA Central Framework to be established under the auspices of the UNCEEA will be responsible for finalizing the documentation. The London Group stressed the importance that work on core tables and accounts at the global level should be coordinated with similar work at the OECD and existing European reporting requirements under EU regulation 691/2011 on environmental accounting. The London Group, as the group with technical expertise on the subject matter, is ready to be engaged in the process of developing the core tables and accounts as well as contributing to the drafting and commenting on compilation guidelines and training materials.

3. Updates were provided to the London Group on SEEA implementation workshops, the implementation guide, SEEA Agriculture, and an overview of environmental accounting work in countries. Of particular interest was a paper put forth related to staff exchanges and the role of NSOs in furthering these learning experiences as a way to expand the knowledge base of practitioners of environmental-economic accounting. This is seen as a way to help facilitate SEEA Implementation and will be submitted for consideration to the Bureau of the UNCEEA.

4. The London Group also considered it important to continue to follow and possibly contribute to the advancement of the research agenda of the SEEA Experimental

Ecosystem Accounting, in particular concerning the statistical aspects of the agenda. Also, the London Group expressed interest in continuing to be kept informed of the lessons learnt from the testing of SEEA Experimental Ecosystem Accounting. Some members of the Group are actively engaged in the testing exercise and should play an important role in sharing experiences in this field.

5. The location and date of the next meeting has not yet been finalized, however it is expected that it will take place in the 4th quarter of 2014.

B. Oslo Group on Energy Statistics

6. Over the past year, the Oslo Group has focused its efforts on the finalization of the Energy Statistics Compilers Manual (ESCM). This product represents a practical guide to support countries with the implementation of the International Recommendations for Energy Statistics (IRES) which was endorsed by the Statistical Commission in 2011. The objective of these outputs is to promote the collection and dissemination of quality, comparable, complete energy data at the international level.

7. It is recognized that energy data can be collected and used for multiple purposes. The ESCM therefore looks at the use of energy data for official statistics, energy balances and energy accounts. It recognizes that these data serve as critical inputs for other fields of statistics, such as the national accounts and for the calculation of greenhouse gas emissions. As such, the ESCM will be useful to the SEEA-Energy. The Oslo Group is collaborating with the London Group to ensure coherence and accuracy.

8. The third virtual meeting of the Oslo Group took place in the spring of 2013. It consisted of a structured electronic discussion on the Oslo Group web site, and was dedicated to the review of the revised draft chapters of the ESCM. During the meeting, all chapters were posted for review and comment by members. These inputs were then summarized and used in the preparation of the next versions of the chapters.

9. The 8th Meeting of the Oslo Group took place in Baku on 24-27 September 2013. Each chapter of the ESCM was presented for a final round of review and comment. It is anticipated that the ESCM will be edited and completed by the spring 2014.

10. With the completion of the ESCM, the Oslo Group took some time at the 8th meeting to update its mandate in order to plan for the future activities of the Group. Efforts will continue on the collection and sharing of country best practices. Other topics of interest within the newly updated mandate include: the use of alternative energy data sources, such as administrative data; improved data quality and validation methods; renewable energy, in particular, solid bio-fuels; electronic data collection methods; and energy prices.

11. These new topics will be the focus of the 9th Meeting of the Oslo Group in Abu Dhabi in May 2014.

C. Eurostat

12. In 2013 work focused on extending the European Union Regulation (law) on environmental accounts to incorporate three new modules, updating the EU strategy for environmental accounting, contributing to the development of SEEA experimental ecosystems accounts and participating in a large number of initiatives of other organizations in the interest of coordination.

13. In 2011 the first European Union regulation on environmental accounts (Regulation (EU) No 691/2011) was adopted. This European Union law obliges all Member States to compile environmental accounts in a standard form and to a standard timetable. The first regulation included air emissions accounts broken down by ISIC 2-digit level, environmental taxes broken down by ISIC 2-digit level and material flow accounts. The first data sets under this regulation were received in 2013.

14. The EU developed three additional modules: environmental protection expenditure, environmental goods and services sector and energy accounts. In May 2013 the EU Commission put forward these three new modules as a formal legal proposal. By the end of 2013, discussions in working groups of the Council of the European Union and of the European Parliament had nearly concluded. It is hoped that the remaining steps in the legal process can be completed soon and the three new modules can become law by summer 2014.

15. Meanwhile data collection on these modules continues on a voluntary basis. Eurostat provides financial support for that voluntary work in order to help developing the needed national infrastructures. Methodological work was advanced in several areas with the help of task forces. Environmental accounts training courses were also organized for European Union countries. This is part of the European Union work to implement environmental accounting and in particular the SEEA Central Framework.

16. The development of environmental accounts in the EU follows the European Strategy for Environmental Accounting as adopted in 2003 and revised in 2008. An update of this strategy was under preparation in 2013 and the adoption of the updated strategy is expected in the first half of 2014. The updated strategy puts emphasis on consolidating and improving the quality of the six modules mentioned above, improving timeliness and promoting uses, and development work in a small number of areas fully coherent with the SEEA central framework.

17. Throughout 2013 Eurostat participated actively in expert groups and in the editorial boards on the development of SEEA Experimental ecosystem accounts and SEEA Extensions and Applications.

18. Also in 2013 significant effort was devoted to participating in initiatives of other organizations in the interest of coordination, to avoid duplication and unnecessary divergences. These included:

- European Union Commission's initiative on Resource efficiency, the EU Sustainable Development and Europe 2020 strategies
- UN Sustainable Development Goals and Post-2015
- OECD Green growth indicators and Working Party on Environmental Information
- ILO definition of environmental employment and green jobs
- UNEP Indicators for Inclusive Green Economy/Green Growth Policies
- Framework for the Development of Environment Statistics (FDES)
- London Group on Environmental Accounting.

D. Organization for Economic Cooperation and Development

19. The work carried out by OECD relevant to the programme of work of the Committee covers the following areas: (a) work on indicators to monitor progress towards green growth; (b) work on the implementation of the SEEA; and (c) work on material flows and resource productivity.

20. Other areas of relevance include work on environmental expenditure (jointly with Eurostat) and work on environmentally related taxes, as well as continued work on the questionnaire on the state of the environment.

1. Monitoring progress towards green growth: the OECD set of Green Growth indicators

21. At the OECD Ministerial Council Meeting in Paris in May 2011, ministers welcomed the OECD green growth strategy and encouraged OECD to work further on indicators for green growth in line with the report *Towards Green Growth: Monitoring Progress — OECD Indicators*. The report expounds a conceptual framework for measuring green growth, a proposed set of 25 indicators and a measurement agenda to address key issues with an indicator set.

22. Green growth has been defined in several dimensions: (a) pursuing economic growth and development while minimizing pressures on the quality of the environment and on the use of natural resources; and (b) catalysing investment and innovation which will underpin sustained growth and give rise to new economic opportunities. The work on green growth indicators proceeds along five indicator groups: (a) the environmental and resource productivity of production and consumption; (b) the natural asset base of the economy; (c) the environmental dimension of the quality of life; (d) economic opportunities and policy responses; and (e) the socio-economic context and characteristics of growth.

23. Work to advance the green growth measurement agenda is focusing on:

- The further development and specification of the small set of green growth headline indicators with emphasis on (a) natural assets and the calculation of a natural resource index, (b) material productivity including indirect flows

embodied in trade, (c) environmentally adjusted multifactor productivity, (d) land use and land cover changes;

- The further development of indicators on national nitrogen balances;
- Development of accounts on land (monetary valuation, volume measures).

24. An updated report on green growth indicators will be published in April 2014; it will be accompanied with the further development of the OECD Green Growth Indicators database. International cooperation on green growth is ensured through the Green Growth Knowledge Platform (<http://www.greengrowthknowledge.org/>).

2. Implementing the SEEA to advance the green growth measurement agenda

25. Green growth indicators have to combine economic and environmental information in a consistent way. While there is a substantive amount of economic and environmental data, it is often difficult to combine them due to differences in classifications, terminology or timeliness. Hence, the green growth measurement agenda includes explicit reference to the SEEA.

26. A Task Force on the implementation of the SEEA Central Framework was created under the auspices of the OECD Committee on Statistics and Statistical Policy (CSSP) and the Environmental Policy Committee (EPOC). To date, 12 countries (Australia, Canada, France, Japan, the Netherlands, New Zealand, Norway, Russia, Sweden, Turkey, the United Kingdom and the United States) and 3 institutions (Eurostat, the UNSD and the World Bank) have accepted the invitation to join the Task Force. Its main objectives are the following:

- Develop standard tables for the collection of internationally comparable data on air emissions (volumes) and natural resources (stocks and flows, volumes and monetary units);
- Provide guidelines and practical examples showing how to build air emissions accounts starting from inventories or energy accounts;
- Provide methodological guidelines on the monetary valuation of natural assets;
- Advise on other areas where standard tables could be developed in line with the SEEA and the OECD Green Growth strategy.

27. The main body of work will be conducted by written procedure. A meeting of the Task Force will be organized at the end of 2014 at the OECD headquarters in Paris.

3. Material flows and resource productivity

28. The work on material flows and resource productivity supports the implementation of the recommendations of the OECD Council on material flows and resource productivity (April 2004 and March 2008). A report on “Material resources, productivity and the environment” will be published in Q2 2014.

29. In 2014 and beyond emphasis will be given to the further development of the information base on material flows and resource productivity in cooperation with

Eurostat, the International Resource Panel (UNEP), and research institutes. The focus will be on unused and indirect material flows embodied in trade building on the OECD multi-regional input-output tables, and on the associated indicators.

E. Food and Agriculture Organization

30. The FAO Statistics Division has initiated an organization-wide development process for articulating a minimum set of SEEA Central Framework-based tables relating to the agricultural sector (SEEA-Agri). In this respect, a preliminary set of asset and supply and use tables have been designed and are being populated.

31. The approach and plans have been discussed at a number of international and regional meetings: the 26th FAO-OEA/CIE-IICA working group on agricultural and livestock statistics for Latin America and the Caribbean in June 2013, the Sixth International Conference on Agricultural Statistics in October 2013, the 19th Meeting of the London Group on Environmental Accounting in November 2013, the 23rd African Commission on Agricultural Statistics (AFCAS) in December 2013 and the 25th Asia and Pacific Commission on Agricultural Statistics (APCAS) in February 2014. This work is being incorporated into the Research component of the Action Plan of the Global Strategy to Improve Agricultural and Rural Statistics (GS), which seeks to contribute to a significant improvement in the quality, reliability and cost-effectiveness of agricultural statistics in developing countries.

32. The SEEA-Agri, in particular, is meant to provide the conceptual framework for the Global Strategy and its implementation will be ensured through key Global Strategy (GS) thematic domains, especially the one tasked to identify appropriate indicators and collection methods for agri-environmental data. There are also strong synergies with several other GS thematic domains, such as:

Improving methods for the analysis of food and agricultural data, with its emphasis on developing or improving methods for data analysis “to inform policy decisions and monitor their impact on household incomes, rural development, and the environment”; and,

Improving the quality and use of administrative data, with research centered on identifying “where, how, and under which conditions administrative data can be used for producing agricultural, rural, and agri-environmental statistics”.

33. The FAO SEEA-Agri research program is aimed at facilitating the phased implementation of the SEEA-Central Framework for the compilation of internationally comparable environmental-economic accounts for the agriculture sector. Work with pilot countries has already begun in order to address some of the key remaining measurement challenges in environmental-economic accounts and statistics (e.g. compilation of physical flow accounts, monetary accounts, and natural resource accounts). Over the next 12 months, the SEEA-Agri research agenda foresees to:

- Apply SEEA-CF based methodology in data-rich and data-poor statistical environments; while in the more statistically advanced countries this will entail comparing and reconciling the basic component data, in the statistically weakest countries this will imply identifying data gaps and providing methods for the imputation of missing data.
- Develop a measurement framework — information pyramid — comprised of basic statistics (economic/environmental), accounts (time-series of consistent, coherent, and comparable data), and indicators (linkages across domains) capturing agricultural activity along the value chain.
- Hold an Expert Group meeting to review the SEEA-Agri methodology and country pilot work with the aim of finalizing the methodology for endorsement and roll out for SEEA-Agri country development activities in 2015.

34. These activities reflect FAO Statistics Division's commitment to incrementally establishing the internal technical capacity for the compilation and regular reporting through the FAOSTAT platform of a minimum set of environmental-economic accounts for agriculture with appropriate scope, detail and quality necessary to inform FAO and country specific policy work.

F. World Bank

35. The World Bank's Wealth Accounting and the Valuation of Ecosystem Services (WAVES) Global Partnership continues implementation of the SEEA-Central Framework and test out SEEA Experimental Ecosystem Accounts in 8 countries (Botswana, Colombia, Costa Rica, Guatemala, Indonesia, Madagascar, Philippines and Rwanda) with Vietnam and Morocco likely to join in the next few months, and is in discussion with governments of another 10-12 countries, which may join, depending on funding. Water accounts, subsoil asset accounts and forest accounts are the most common accounts. In parallel, WAVES is developing regional Communities of Practice to facilitate peer learning and regionally based training services in order to reach out to a larger number of countries and develop capacity in a region to sustain environmental accounting.

36. WAVES has developed a training course for ecosystem accounting and drafted a guidance note on piloting ecosystem accounting. In addition to work in WAVES countries, WAVES is collaborating with Conservation International to pilot ecosystem accounting in Peru. WAVES is developing a guidance note on valuation and a guidance document for coastal and marine ecosystem accounts, with an emphasis on the coastal protection services of mangroves and coral reefs. WAVES is also developing a Forest Accounting sourcebook focusing on policy applications and will hold a 3-day workshop of experts in May 2014 to review the draft source book.

G. United Nations Development Programme

34. Throughout 2013, UNDP continued to collaborate with the UN Statistics Division and additional groups working within the mandate of the UNCEEA at the global, regional, and national levels to support SEEA implementation. This work has included: 1) ongoing advocacy around SEEA; 2) support for its integration into the post-2015/SDG process; 3) integration into regional and national development policy processes and capacity development initiatives; and 4) linking to complementary programming around the poverty-environment nexus, inclusive green economy, biodiversity, and green commodities.

35. UNDP advocated for and shared programming experiences and policy demand for SEEA implementation through engagement in several global and regional processes linked to the post-2015/SDG and Small Island Developing States (SIDS). These included: ongoing technical inputs into SEEA Energy and SEEA water; collaboration and technical inputs around SEEA through post-2015 consultations, side events and preparations of relevant Open Working Group (OWG) Issue Briefs; engagement and advocacy for SEEA through the annual sessions of the UN Statistical Commission; co-organizing the 17 June International Conference on Global Implementation of the System of Environmental-Economic Accounting; engaging in the 16-20 September SEEA Workshop in Brazil; co-organizing the 2-4 July inter-regional Inclusive Green Economy Tools workshop in Kenya with dedicated sessions on SEEA and WAVES; engaging in the 18-20 November Ecosystem Accounting workshop on models and tools for SEEA EEA; supporting the 9-11 December Workshop “Developing a Programme for the Implementation of the 2008 SNA and Supporting Statistics for ECOWAS and COMESA”; and co-organizing the February 2014 SEEA Implementation Workshop for the CARICOM region in St Lucia.

36. Throughout this work, UNDP continues to draw on and link SEEA implementation and related programmes such as WAVES and TEEB, to its policy and programming work at the country level. This includes global and regional programmes such as the UNDP-UNEP Poverty-Environment Initiative, the UNDP-UNEP-DESA Green Economy Joint Programme; Biodiversity Finance Initiative (BIOFIN); and the Green Commodities Programme; as well as the work of Reducing Emissions from Deforestation and Forest Degradation (UN-REDD), and portfolios managed under UNDP Global Environment Facility (GEF) and Montreal Protocol Unit.

H. United Nations Environment Programme

1. Ecosystem Services Economics Unit

37. UNEP’s Ecosystem Services Economics Unit (ESE) implemented the following activities related to the work of UNCEEA. In partnership with the Basque Centre for Climate Change, ESE concluded the project “*The value of Panamanian forests and their contribution to the economy of Panama*” as part of UNEP’s support to countries under the UN REDD+ program. Under the same auspices, ESE initiated and continues to support projects on the broad theme “*The roles of forest ecosystems in national economies and the role of REDD+ in a green economy transformation*” in Tanzania (in

partnership with the Centre for Environmental Economics and Policy in Africa, University of Pretoria and the Tanzania Forest Service), in Zambia (in partnership with the Wildlife Conservation Society), and in Congo Brazzaville (in partnership with the Wildlife Conservation Society). The key objective of UNEP's support to countries under the UN REDD+ program is to generate the factual scientific evidence that could be used to advance its effort to build a strong "business case" for a transformation in forest planning, management, and monitoring towards a low carbon development path and a green economy. The ESE initiated and continues to support the project "*Analysis of trade-offs between food production and ecosystem services delivery: a case of Hoima District, Uganda*" in partnership with the World Agroforestry Centre and the Uganda National Planning Authority, whose key objective is to identify opportunities for minimizing trade-offs between the objectives of agricultural intensification and those of ecosystem services delivery, while promoting synergies.

38. In partnership with the World Bank, the United Nations Statistics Division, the Africa Union Commission, and the Kenya Ministry of Devolution and Planning, ESE successfully organized an international workshop on Valuation and Accounting of Natural Capital for Green Economy (VANTAGE) in Africa from 3-4 December 2013 in Nairobi whose overall objective was to showcase successful efforts by countries and organizations to value and account for natural capital that had contributed to promoting a transformation to a green economy, and to raise awareness, and to promote buy in for future efforts of such nature. Finally UNEP, South Asian Network for Development and Environmental Economics (SANDEE) and UN-ESCAP co-convened the workshop "*Valuing and Accounting for the Environment in Asia*" 8-10 October 2013 in Bangkok, in collaboration with seven other partners including the World Bank, UN Statistics Division, UNDP and regional partners, the Asian Development Bank (ADB), ASEAN Centre for Biodiversity (ACB), Indian Society for Ecological Economics and Economy and Environment Program for South East Asia (EEPSEA). The overall objective of this workshop was to share knowledge about existing accounting practices, identify policy uses and challenges to integrating environment into national accounting frameworks, and examine strategies for valuing the environment through operationalizing the SEEA and Experimental Ecosystems Accounts. In UNEP's GEF funded Project for Ecosystem Services, Trinidad and Tobago and Vietnam teams work on a methodology for incorporating ecosystem services into national accounts, and pilot-test this methodology with a demonstration of the selected ecosystem services, utilizing existing data and existing valuation studies.

2. The Economics of Ecosystems and Biodiversity (TEEB) initiative

Study on the environmental goods and services sector: An EGSS-based Statistics Framework for China's Environmental Industrial Sector

39. In partnership with the Chinese Academy for Environmental Planning (CAEP), a research institution under the Ministry of Environmental Protection (MEP) of China, UNEP started its work on an Environmental goods and services sector (EGSS) - based statistics framework for China's Environmental Industrial Sector in 2012. The study was designed based on the EGSS accounting framework developed by Eurostat and aims to

introduce international experiences with EGSS to a Chinese audience. It also looks into existing relevant statistical practices to evaluate the environmental sector in China and analyzes the feasibility of establishing an EGSS accounting system in China. As the accounting framework for EGSS is a key approach for quantifying the performance of the green sectors in the total economy, the study is expected to provide valuable information for policymakers, industries, and the general public in China during the green economy trajectory.

40. The Eurostat EGSS Data Collection Handbook has been translated into Chinese, and with the research support from local Environment Administrations, industrial associations, companies and research institutes, the first draft of the report is under review with external experts. The Chinese report will be officially launched in April 2014 in China, and the English executive summary will be available for comments during a workshop jointly organized with Eurostat and the European Environment Agency (EEA), planned in April. The goal of the workshop will be to share the experience of a few EGSS front-runners in the European Union and other countries, such as China and Kazakhstan, the challenges they face, and their proposed way forward. An English version of the report will be produced afterwards, based on the comments and suggestions.

I. Economic Commission for Europe

1. Measuring sustainable development

41. In June 2013 the Conference of European Statisticians (CES), held under the auspices of UNECE in Geneva, endorsed the *CES recommendations on measuring sustainable development* and its associated sets of indicators. The Recommendations were developed by a joint Task Force of UNECE, the Statistical Office of the European Commission (Eurostat) and OECD. They take into account various initiatives undertaken by the United Nations, Eurostat and OECD, as well as by individual countries, and provide analyses of current measurement frameworks. The Recommendations will be published in the beginning of 2014 and will be translated into Russian. The *CES recommendations on measuring sustainable development* are available at: <http://live.unece.org/stats/sustainable-development.html>.

42. The Recommendations are a key step towards harmonising the measurement of sustainable development, and are expected to contribute to establishing the Sustainable Development Goals (SDGs) and the related targets and indicators. The Conference decided to launch further work to provide countries with practical guidance on implementation issues. Australia, Italy, Kazakhstan, Mexico, Russian Federation, Slovenia, Turkey and Ukraine will pilot test the recommended indicators in 2014.

43. The Recommendations identify a number of measurement issues that will need to be addressed in the future. In particular, more work needs to be done on measuring the transboundary effects in the context of sustainable development (i.e., the impact of countries on each other) and constructing better indicators in the areas of human, social, financial and natural capital (including better measures of their distribution). Data on

time use can be used to measure those non-market activities which are relevant to sustainable development. The follow-up methodological work will start with stocktaking of measuring transboundary impacts of sustainable development, and measuring sustainable development at different scales (such as, regional, local, city, company level).

44. Understanding human capital is of significant interest also to sustainable development policies. Statistics on the stock of human capital can be used to analyse the drivers of economic growth, the functioning of the labour market and sustainability of a country's development path. The CES established a Task Force to pursue the conceptual development of human capital measurement and prepare a guide on measuring human capital.

2. Improving environmental data and production of indicators to further strengthen environmental reporting

45. Close attention to environmental issues has increased the demand for high quality statistics to strengthen environmental monitoring in the UNECE region. A Joint Task Force on Environmental Indicators was set up by the Committee on Environmental Policy (CEP) and the Conference of European Statisticians (CES) in 2009 to improve environmental data collection and reporting in the countries of Eastern Europe, the Caucasus, Central Asia and South-Eastern Europe, and to promote comparability of environmental statistics and indicators in UNECE region. The work brings together environmental experts and statisticians, a cooperation that is crucial to ensure improved methodologies and better time series data. The work is carried out with strong support from the European Environment Agency (EEA) and in close cooperation with other international organizations such as the United Nations Statistics Division (UNSD), the United Nations Environmental Programme (UNEP), International Energy Agency (IEA), Eurostat, etc.

46. The Task Force has reviewed all 36 indicators covered by the *Guidelines for the Application of Environmental Indicators in Eastern Europe, Caucasus and Central Asia* (Guidelines) that were prepared by the CEP Working Group on Environmental Monitoring and Assessment and endorsed at the Belgrade (2007) "Environment for Europe" Ministerial Conference. The Task Force has included 13 additional indicators in the Guidelines and has prepared common harmonized formats for countries for the production of the indicators. In July 2012, the Task Force agreed on a **core set of environmental indicators** (8 indicators, 11 datasets) to form the basis for regular data collection. In November 2013, countries reported on progress in producing the selected indicators. The next session of the Joint Task Force in May 2014 will review the production and sharing of the selected indicators. Furthermore, a workshop will be organized back to back with the May 2014 session of the Task Force to discuss and share practical solutions/good practice examples on producing water indicators. More information about the work of the Joint Task Force on environmental indicators is available at: <http://www.unece.org/stats/environment.html>.

47. The UNECE completed implementation of a UN Development Account **project on environmental sustainability** in the countries of Eastern Europe, Caucasus and Central Asia (EECCA). South-East European countries were also participating in the activities thanks to the support of Eurostat and the European Environment Agency. The topics of the workshops covered waste statistics (11-13 April 2012 and 29 October 2013, Geneva); measuring sustainable development and the implications of Rio+20 Conference (29 October 2012, Geneva); agri-environmental statistics (13-15 May 2013, Montenegro) and a high-level seminar on follow-up to Rio+20: measuring sustainable development and **implementing the System of Environmental-Economic Accounting** (12-13 June 2013, Geneva). Three reports have been prepared providing a summary of the current status in EECCA countries of waste statistics, agri-environmental statistics and measuring sustainable development. As a response to request by countries for a forum to exchange experience in SEEA implementation, it is planned to organize a seminar on this topic, jointly with OECD and other organizations involved on implementation of SEEA.

3. Climate change related statistics

48. In June 2012, the Rio+20 Conference on Sustainable Development emphasized climate change as an immediate and urgent global priority. This has increased the pressure to provide new information to support analysis of climate change and improve existing statistics. A CES Task Force on Climate Change Related Statistics has prepared draft recommendations for improving the statistics related to climate change collected by national statistical systems, and enhancing their utility for the compilation of greenhouse gas inventories.

49. In drafting its recommendations, the Task Force analysed the results of an earlier survey on the involvement of national statistical offices in climate change related statistics. The survey was undertaken with support by the UN Committee of Experts on Environmental-Economic Accounting (UNCEE) and UNSD. In addition, the Task Force carried out interviews of users of climate information, including the Intergovernmental Panel on Climate Change (IPCC), the United Nations Framework Convention on Climate Change (UNFCCC), the World Meteorological Organization (WMO), research agencies, non-governmental organizations and universities. The results provided useful input for analysing the user needs and the role of national statistical offices in the area.

50. The Task Force organized two expert meetings: the first meeting on 19-20 November 2012 to explore user needs and existing practices within national statistical systems, and the second meeting, on 8-9 October 2013 to review the draft recommendations of the Task Force. The meetings brought together over 50 producers and users of climate change related statistics, such as greenhouse gas inventory compilers, environment agencies and ministries, statistical offices and international organizations, including Directorate-General on Climate Action of the European Commission, European Environment Agency, Eurostat, International Labour Organization (ILO), IPCC, UNFCCC, WMO, World Health Organization, World Bank, United Nations Industrial Development Organization (UNIDO), etc. The discussions

among experts at the meetings provided valuable input to the recommendations for national statistical systems.

51. The Task Force identified some key recommendations for national statistical offices on how to better use the wide range of existing environmental, social and economic statistics for climate analyses and emission inventories. The Task Force recommends that national statistical offices start improving climate change related statistics gradually and based on their key competencies. It is recommended that national statistical offices work more closely with greenhouse gas inventory producers to ensure that official statistics meet the needs of greenhouse gas inventories.

52. While the draft recommendations represent useful first steps, further international work will be required to support their implementation. The global nature of climate change calls for wider cooperation among users and producers of statistics to better respond to the growing information needs. International statistical organizations, for example, the Conference of European Statisticians and its secretariat, should ensure close cooperation with the UNFCCC, IPCC, WMO and other international organizations active in the area.

53. The draft recommendations on climate change related statistics are consulted with all CES members and involved international organizations in February 2014. Subject to the positive outcome of the consultation, the Recommendations will be submitted to the CES for approval in April 2014. More information about the UNECE work in climate change related statistics is available at: www.unece.org/stats/climate.html.

J. Economic Commission for Latin America and the Caribbean

54. ECLAC's Statistics Division elaborated a methodological paper (*El Sistema de Cuentas Ambientales y Económicas SCAE 2012: fundamentos conceptuales para su implementación*, Serie Estudios Estadísticos No. 84, LC/L.3752) intended to explain the global policy context giving rise to the need for new measures of wellbeing, review the challenges of measuring sustainable development, introduce the System of Environmental and Economic Accounts Central Framework (SEEA 2012) and explain its conceptual and methodological underpinnings.

55. Based on this paper and the Global Strategy for the Implementation of SEEA 2012 of the UNSC, the Statistics Division elaborated a proposal of a regional strategy for the implementation of the SEEA 2012 central framework (*Una propuesta regional de estrategia de implementación del Sistema de Cuentas Ambientales Económicas SCAE 2012 en América Latina*, Serie Estudios Estadísticos, under editorial revision). This Regional Strategy suggests a five step process: (i) promote the SEEA 2012 central framework in Latin American countries to both users and producers; (ii) based on the needs of policy makers, prioritize the environmental-economic tables and accounts to be produced that can inform sustainable development policies and planning; (iii) evaluate institutional arrangements to build a collaborative platform to lead the compilation of

accounts; (iv) carry out a qualitative assessment of available environment statistics and identify data gaps; (v) elaborate national implementation plans.

56. The proposed regional strategy was sent to 35 institutions in 18 Latin American countries for their review and comments. The regional strategy has been presented in Rio de Janeiro, at the Regional Seminar on Developing an Implementation Strategy for the System of Environmental-Economic Accounting (SEEA) Central Framework in the Latin American and Caribbean Region (19-20 September 2013). It was also presented in Santiago de Chile, at the Seventh Meeting of the Statistical Conference of the Americas of ECLAC (5-7 November 2013) and in the Regional Seminar on Developing Programmes for Implementing the 2012 SEEA that took place in Santa Lucia on 6-7 February 2014.

57. Currently the Statistics Division is working on a concept note of a regional program that will help implement the regional strategy in Latin American and Caribbean countries. Additionally a Development Account project will commence in June of 2014 that aims to assist countries in implementing the SNA 2008 and SEEA 2012 in both ECLAC and ESCAP.

K. Economic and Social Commission for Asia and the Pacific

58. In December 2013, ESCAP organized the Expert Group Meeting on Strategies for Improving Environment Statistics in Asia and the Pacific. The meeting attracted participation from a variety of relevant government institutions from 12 Asian and Pacific countries and from several international organizations. Implementation of selected components of the SEEA were presented and discussed, including accounting for land, ecosystems, water and energy. The recently revised Framework for the Development of Environment Statistics (FDES) was also discussed. The outcome of the meeting will feed into discussions by the ESCAP Committee on Statistics at its fourth session in December 2014 on the development of strategies for improving environment statistics in Asia and the Pacific.

59. Significant methodological advancements have been initiated during the past year for SEEA-related statistics by the Ulaanbaatar City Group on Statistics for Economies based on Natural Resources. The ESCAP secretariat is committed to supporting the work of the City Group in close partnership with the national statistical offices that are leading the work, including those of Australia, Azerbaijan, Brazil, China, India, Iran (Islamic Republic of), Kazakhstan, Madagascar, Mongolia, Russian Federation, and Viet Nam.

60. In October 2013, ESCAP co-organized, in collaboration with UNEP and the South Asian Network for Development of Environmental-Economics (SANDEE), a Workshop on Valuing and Accounting for the Environment. This Workshop attracted interest from high level national government officials and from a notable diversity of governmental and non-governmental institutions from across Asia. Participants expressed strong interest in accelerating the pace of development and implementation of methods for valuing and accounting for ecosystem services and the associated measures of

natural capital, building on the foundational knowledge provided in the SEEA Experimental Ecosystem Accounts, the United Nations University's International Wealth Report, and many other related national and international publications. While the need for further development and testing of methodologies was acknowledged, it was also noted that recommendations stemming from different efforts are largely complementary, with growing scope for consensus on measurement challenges. While ecosystem services are crucial to the welfare of people in Asia and the Pacific, their importance is grossly under-represented in current accounting and in national statistical systems more generally. Therefore, the Asia and Pacific region is in a good position to take a leading role in developing and testing methods to address this information gap.

61. Through its Statistical Institute for Asia and the Pacific (SIAP), ESCAP also initiated in 2013 training activities on SEEA Central Framework and related environment statistics. In September 2013, ESCAP organized the First Sub-Regional Course on SEEA for Southeast Asia in collaboration with the Malaysia Statistical Training Institute (ILSM) in Perak, Malaysia. This ground-breaking event was considered a major success and more training opportunities in the same vein are planned for 2014, including e-learning courses. ESCAP has also integrated SEEA and related environment statistics topics into SIAP's residential training programmes on fundamentals of official statistics, which are jointly conducted each year with the Japan International Cooperation Agency and the Ministry of Internal Affairs and Communication of the Government of Japan to official statisticians from across the world.

62. ESCAP also played a critical role in 2013 in development of the SEEA Implementation Guide by organizing assessment studies in two countries (Malaysia and Samoa) in which national applications of the draft SEEA Implementation Guide were tested for the first time.

L. Economic and Social Commission for Western Asia

63. ESCWA presented a paper on the System of Environmental Economics Accounts (SEEA) during the Regional Preparatory Meeting Series for Rio+20: Meeting on "Economic Policies Supporting the Transition to a Green Economy in the Arab Region". The paper stressed that there is a need to consider the environment in an integrated manner with the economy (see http://www.escwa.un.org/information/publications/edit/upload/E_ESCWA_SDPD_11_WG-7_Report_e.pdf).

64. The Project on Energy Statistics and Accounts that is being implemented in coordination with UNSD and the International Energy Agency (IEA) since 2011 includes material on energy accounts in the training workshops, the linkage with energy balance and the importance of the development of such accounts to economic indicators in the Arab countries.