



Economic Commission for Europe**Conference of European Statisticians****67th plenary session**

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**Programme of work of the Statistics subprogramme of the
United Nations Economic Commission for Europe****Reports on the work of the Conference of European Statisticians, its Bureau and Teams of Specialists****Implementation of the United Nations Economic Commission
for Europe Statistical Programme 2018****Note by the secretariat****Addendum****Report of the Joint OECD/UNECE Seminar on the Implementation of
the System of Environmental-Economic Accounting (SEEA)***Summary*

The fourth Joint OECD/UNECE Seminar on the Implementation of the System of Environmental-Economic Accounting (SEEA) was held on 20-21 February 2019 in Geneva. The seminar was organized following a decision of the Conference of European Statisticians in June 2018.

The report is submitted to the Conference of European Statisticians for information.



I. Attendance

1. Experts from the following countries attended the meeting: Armenia, Australia, Azerbaijan, Belarus, Bosnia and Herzegovina, Canada, Denmark, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Malta, Montenegro, Netherlands, Norway, Mexico, Mongolia, Republic of Moldova, Russian Federation, Slovenia, Sweden, Switzerland, Tajikistan, Turkey, Turkmenistan, and Ukraine.
2. Representatives of the United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Mission in Kosovo (UNMIK), International Labour Organization (ILO), European Commission – Eurostat, European Environment Agency (EEA), Organisation for Economic Cooperation and Development (OECD), and the International Union for Conservation of Nature (IUCN) also attended.
3. The non-governmental organization Cadaster Institute was also represented at the meeting.

II. Organizational matters

4. Mr. Gerard J. Eding (Statistics Netherlands) chaired the seminar. He also served as Chair of the Organising Committee of the Joint OECD/UNECE Seminar.
5. Members of the Organising Committee: Australian Bureau of Statistics, Statistics Canada, Committee on Statistics of the Republic of Kazakhstan, National Statistical Committee of the Kyrgyz Republic, Statistics Netherlands, Russian Federal State Statistics Service, Statistics Sweden, Eurostat, OECD, UNECE and UNSD. The seminar was financially supported within the framework of the ENI SEIS II East project funded by the European Union through the European Neighbourhood Instrument (ENI), United Nations Development Programme (UNDP) and the 10th tranche of the UN Development Account Programme on Statistics and Data.
6. The following substantive topics were discussed at the meeting:
 - (a) Water accounting (Session Chair: Mr. Michael Wright, Statistics Canada);
 - (b) Environmentally related taxes and subsidies (Session Chair: Ms. Viveka Palm, Statistics Sweden);
 - (c) SEEA Experimental Ecosystem Accounting (Session Chair: Mr. Gerard J. Eding, Statistics Netherlands).

III. Main conclusions from substantive sessions

A. Water Accounting

7. Armenia, Australia, Canada, Denmark, Kazakhstan and Mexico presented examples of work in this area. Brazil provided a background document.
8. The Global Assessment of Environment Statistics, Environmental-Economic Accounting and Related Statistics carried out by UNSD in 2017 concluded that a large number of countries are planning to implement water accounts in the near future.
9. Considerable progress has been made in the implementation of water accounts, but some problems remain which are similar in most countries. Participants of the seminar concluded that the main problems are:
 - (a) The availability of sufficient data and known problems with data quality;
 - (b) Conflicting data sources;
 - (c) Relatively big time lags;

(d) Even if the two major international water statistics questionnaires (Eurostat/OECD and UNSD/UNEP) are aligned to a large extent, some inconsistencies of terms and definitions with other international questionnaires (e.g. FAO) remain. In addition, some terms, such as “water use”, may have different meanings in water statistics questionnaires, SEEA-Water, Aquastat and SDG 6 indicators; the term is also understood differently by other expert communities, e.g. the water supply industry. International organisations are aware of these issues and currently working together to align all terms and definitions in this area;

(e) Sub-national (e.g. by river basins and administrative units) and temporal breakdowns (e.g. by months or seasons) are considered important, in particular for large countries. However, existing data are often not fit for this purpose.

(f) For analysing some sub-national or local issues, statistical confidentiality may lead to restrictions for use.

10. Participants concluded that water accounts provide the following additional value in comparison with water statistics (which provide the main starting point for producing water accounts):

(a) Help to align and improve data coming from different sources;

(b) Complete picture of stocks and flows of water in both physical and monetary terms;

(c) As part of the larger suite of SEEA and SNA, they can be integrated to address complex policy questions in a coherent way and allow integrated analysis;

(d) Multiple user needs can be addressed coherently;

(e) They can be adjusted to country’s needs, e.g. by introducing water quality elements (salinity) or temporal and spatial disaggregation.

11. Based on existing experience with the implementation and use of water accounts it was recommended to:

(a) Ensure good user communication using analytical tools, infographics, Sankey diagrams, etc.;

(b) In early stages of implementation of water accounts it is important to set up a small working group, involving main stakeholders. Ideally this involves both experts and senior management;

(c) Existing water statistics, including data provided to Eurostat, OECD and UNSD water questionnaires, provide low hanging fruits to start with and to identify data gaps;

(d) In the future, satellite images may help to track water stocks even in remote locations. These satellite images are available for free from a growing number of space agencies. Nevertheless, the use of these images with appropriate algorithms remains an issue, in particular to track the volume of water in water-covered areas. In order to deal with this challenge, the mobilisation of resources by statistical institutes should be encouraged. This could become a topic for future Joint OECD/UNECE Seminars (e.g. use of geospatial data for SEEA);

(e) There may be statistical confidentiality issues when compiling geographical and industry breakdowns of water accounts. Nevertheless, even in such cases, water accounts can provide information about the evolution of water stocks at a granular level, and provide information on whether water scarcity risks are mainly related to climatic factors or economic activity;

(f) International Organizations were called to continue collaboration to harmonise questionnaires and frameworks, and to provide guidelines and other support in capacity development.

B. Environmentally related taxes and subsidies

12. Estonia, Germany, Republic of Moldova, the Russian Federation, Sweden and OECD gave presentations. Costa Rica, Kazakhstan, Eurostat and OECD participated in the panel discussion.

13. The session demonstrated that it is relatively easy to find data and expertise to initiate compiling environmentally related tax revenue accounts in countries. These accounts are of interest for different government agencies and increase the transparency of environmentally-related transactions. They provide a good starting point for discussions with the user community and for green growth policies and decarbonisation plans. The totals are a first step for analyses. The reporting by industry is often a second step. OECD presented proposed methodological guidelines to support countries with varying degrees of previous experience in compiling SEEA environmentally related tax revenue accounts in practice.

14. The environmentally related subsidies account is still a work in progress, but the extensive experience and inventories from Eurostat, OECD and other national and international studies can be used to find harmonised measurement definition. The Agenda 2030 requires the fossil fuels subsidies to be reported and so that provides an incentive for countries to become involved and obtain national experience. Work is ongoing in the London Group on Environmental Accounting to forward this area.

15. Ministries of Finance often are very interested in data on environmentally-related taxes and environmentally harmful subsidies. These data help them in identifying sources and opportunities for raising revenues. Ministries of Finance are important and powerful government entities, therefore they are potential strong allies for the development of environmentally-related taxes and subsidies accounts.

16. Using the SEEA as a means to combine the air emissions, energy use, environmentally-related taxes and subsidies is a possibility to create a common knowledge on decarbonisation of the economy. Collaboration of national and international experts is needed to make sure that national specificities and international experience can be brought together.

17. From a national perspective, to identify data sources, subject matter experts within the ministries and policy users are of importance. Key is to find a common language to engage with these different actors.

18. International organisations are called to draft harmonised guidelines in collaboration with national experts, and to maintain platforms for sharing of best practices and engaging with global users of this information.

C. SEEA Experimental Ecosystem Accounting (SEEA EEA)

19. Mexico and the Netherlands presented examples of recent work in this area.

20. Ecosystem accounting is relatively new within the realm of SEEA. There are still many technical, methodological, practical and data issues to be researched and developed. The planned revision of the EEA-guidelines is recognised as an important milestone in this process.

21. From a practical perspective the presentations and discussion showed that compiling (part of the) accounts is often done as a pilot or pioneering work. When starting it is recommended to start small. E.g. cover only one region in a country and clearly prioritise the accounts/services to be developed first. For the latter there are clear benefits to closely liaise with interested stakeholders, which may also result in additional funding to develop and compile the accounts

22. The international exchange of experience in EEA has clear benefits and should be further promoted and supported by the international organisations

23. The full potential of EEA in policy applications has to be explored further, but seems to be very broad and promising. It is useful for central government and for local governments, businesses, researchers and the general public.

24. From a communication perspective the (detailed) maps have a high appeal in communicating results of EEA. The maps automatically attract attention and users easily relate to them. This may feed in and further help the overall communication strategy to streamline SEEA.

IV. Decisions and recommendations for further work

25. Based on the conclusions of the sessions and the seminar, the following decision and recommendations for future work were agreed.

26. More (joint) work is needed to explore the use of satellite images for SEEA in general and for water asset accounts and SEEA-EEA in particular. This also addresses the need to have more geographically detailed information in the water accounts. In the future, satellite images may help in this respect, also to track water stocks and flows in remote locations. Nevertheless, the use of these images with appropriate algorithms is a challenging issue, in particular to adequately track the volume of water in water-covered areas. We need to join efforts and share experiences.

27. International organisations should continue to harmonise terms and definitions used in international water questionnaires, SEEA, Aquastat and important indicator frameworks such as the SDG indicators.

28. More joint work is needed to better understand the combined incentives generated by fees, taxes and subsidies. SEEA allows to interlink the various accounts, including the integration of economic accounts with physical accounts, and could provide an important starting point for this.

29. Countries should continue with their efforts to produce pilots of SEEA Ecosystem Accounts and share their experience.

30. Participants recommended to continue with the organisation of “Joint OECD/UNECE Seminars on SEEA implementation” on an annual basis. The seminar should last for two days, focus on strategic issues of interest for all countries in the region and find a balance between technical discussions of established accounts, emerging issues and policy uses. Similarly to the 2019 seminar, the focus should be on no more than 3-4 topics. Organisers are encouraged to continue with the experiments to use electronic tools to allow interactions among participants.

31. Proposed topics for the next seminar are:

- (a) Using new techniques and data sources (e.g. big data, including remote sensing) for compiling SEEA accounts;
- (b) Integrating accounts for cross-cutting issues and complex policy questions (e.g. climate change, resource efficiency and the circular economy);
- (c) SEEA Experimental Ecosystem Accounting: revision process and pilot examples;
- (d) Measuring the environmental goods and services sector.

V. Adoption of the report of the meeting

32. The conclusions mentioned in the substantive sessions of this report were adopted by the participants at the end of the seminar.