

Joint OECD/UNECE Seminar on Implementation SEEA

Geneva, 21-22 February

ENI SEIS II East project: SEEA progress in the Eastern Partnership countries¹

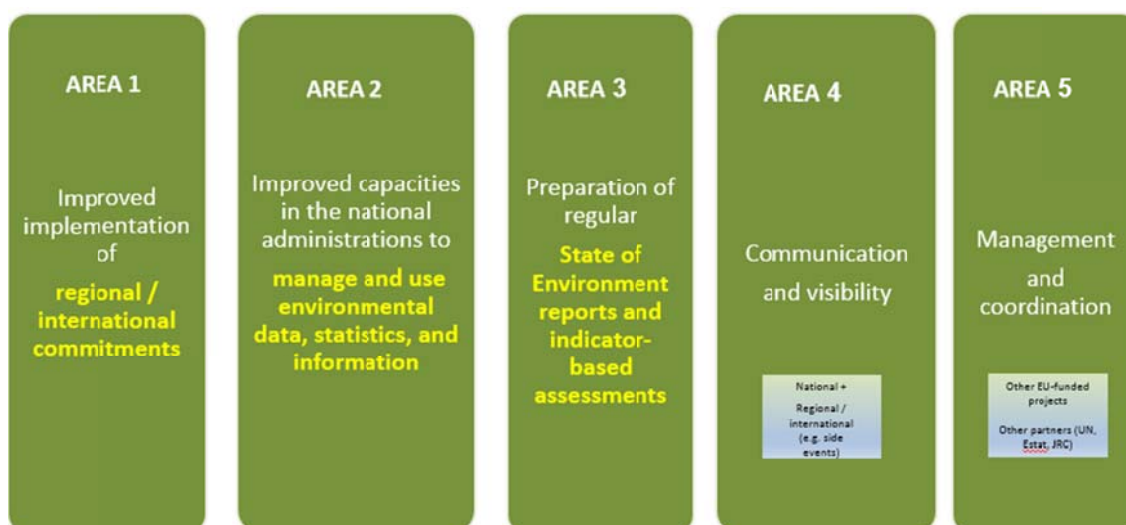
Introduction

ENI SEIS II East project objective is to support the environmental reporting process (Conventions, Treaties, national obligations...). It has a sub-regional focus on Eastern Partnership countries with contribution to the pan-European reporting. This sub-regional project covers six countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

The project is funded by the EU and is implemented by the European Environment Agency (EEA). At a country level, two National Focal Points, representing the two key beneficiaries in the national environmental authorities, namely the Ministry of Environment and the National Statistical Office, coordinate the project.

The activity on economic-environmental accounting (SEEA) is one of the several project activities. This project is run in close cooperation with UNECE and for the moment, the key action is to develop national road maps for environmental accounting.

The ENI SEIS East II project aims to strengthen the regular production of environmental indicators and assessments in line with the principles of the Shared Environmental Information System (SEIS) as a contribution towards knowledge-based policy-making and good environmental governance. The project contains five focus areas of actions:



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In November 2016, during the 1st Regional Project Steering Committee, the ENI SEIS East II partner countries identified environmental accounting as highly relevant and requested capacity building in this domain. In January 2017, it has been introduced into the area of project Actions 3, that covers environmental assessment and accounting, considering that, environmental accounting is a tool for environmental reporting.

The project targets strengthening the environmental reporting of the Eastern Partnership countries via sharing the European Environment Agency knowledge, experience and tools. The European Environment Agency is an EU body that provides targeted and reliable environmental information to the EU policy makers (EU Parliament, EU Commissioners, EU DG Environment, etc.), EEA member countries, and the general public. According to the Regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 on European environmental economic accounts and the European Strategy for Environmental accounting of 2014, the European Environment Agency is one of the three EU institutions that work on environmental statistics and accounts in Europe together with EUROSTAT and JRC.

SEEA - state and future

In 2017, the Project's programme of activities started from an assessment of the state of play in order to identify priorities and plans and to structure capacity building. In addition, a sub-component to the project work plan on environmental accounting has been introduced which covers institutional capacity building and methodological development of environmental reporting information. Support of activities on SEEA is considered as a step to consolidate reporting process (SDG, GEO-6, and State of environment report...) in the countries and generally across the Pan-European region.

According the project work plan 2017-2019, the project carries out the following activities:

1. Assessment of SEEA progress in the six Eastern Partnership countries (2017). The methodology used consisted in two face-to-face interviews. Target audience was composed of producers and users of environmental accounts. The key findings indicated that environmental-economic accounting is an emerging component of national statistical programmes and is lead by the National Statistical Office. Environmental-economic accounting has started and it is included within the environmental statistics programme in Armenia, Belarus and Ukraine, and in the energy statistics programme in Azerbaijan. Two countries are in the initial stages of development (in Moldova and Georgia). Priority areas for further expansion have been identified as: land accounts, air emission accounts, water accounts, and environmental protection expenditure accounts. Summary of the SEEA progress is shown in the table below:



	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine
SEEA Central framework						
Natural resource accounts						
2.1.Land cover accounts	F	F	F	F	F	F
2.1.1.Physical asset accounts for land (land cover and/or land use)		F	F	F	F	
1.2.Monetary asset accounts for land (land cover and/or land use)						
2.2.Forest accounts	F		P,2018/F			
2.2.1.Physical asset accounts for timber resources			P,2018/F			
2.2.2.Monetary asset accounts for timber resources						
2.3.Water stock accounts	F			F		
2.3.1.Physical Asset accounts for water resources			P,2017/F		P,2000	
2.4.Mineral and energy asset accounts				F		
2.4.1.Physical asset accounts for mineral and energy resources*		R,2016				
2.4.2.Monetary asset accounts for mineral and energy resources*						
Physical and hybrid flow accounts						
2.7.Air emission accounts	F			F	P,2017/R	R,2015
2.8.Water emission accounts	P,2017/R					
2.9.Water flow accounts	P,2017/R			F		
2.9.1.Physical supply and use tables for water			P,2016/F		P,2000	
2.9.2.Monetary supply and use tables for water	P,2017/R		P,2018/F			
2.10.Energy and material flow accounts				F		
2.10.1.Physical supply and use tables for energy		R,2016	P,2018/F			
2.10.2.Monetary supply and use tables for energy						
2.10.3.Full set of supply and use tables for materials						
2.10.4.Economy-wide material flow accounts (MFA)						
2.11.Waste accounts	F					
Environmental activity accounts						
2.12.Environmental protection expenditure accounts (EPEA)	F	F	P,2018/F	P,2001		F
2.13.Resource use and management accounts (RUMEA)						
2.14.Environmental subsidies account	F					
2.15.Environmental taxes account	F					
2.16.Environmental goods and services sector accounts (EGSS)	F					
SEEA Experimental Ecosystem Accounts	F	F	F	F	F	F

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The six Eastern Partnership countries are ready to start SEEA activities taking an integrated assessment approach and spatial analysis (SEEA-EEA). This interest is expressed by environmental ministries to supporting their environmental reporting processes, incl. UNFCCC, UN CBD, UN CCD.

2. Vocational training on SEEA was organized with the project support and CIRAD² in Montpellier, France, August 2017. The first cycle of training on environmental accounting was an introduction to environmental accounting with a focus on land cover accounts in order to start the implementation of activities from 2018. The vocational training on environmental accounting Cycle 1 lasted five days and addressed 19 experts from 6 Eastern Partnership countries. Purpose of the training was to raise awareness on land accounts as the first step of environmental accounting implementation following the EEA methodology and rely in particular on the EEA 10 year's practical experience in producing and disseminating these accounts. The training made use of a tutorial to present the methodology, IT applications and hands-on experience that would enable the Eastern Partnership countries in meeting environmental reporting commitments. The continuation of vocational trainings on environmental accounting will take place in 2018-2019; it is a subject to timely administrative arrangements.

² CIRAD, the French Agricultural Research Centre for International Development, is a public establishment under the joint authority of the Ministry of Higher Education, Research and Innovation and the Ministry for Europe and Foreign Affairs.



3. Training on SEEA-CF was organized by UNECE /Statistics Netherlands and co-funded by the EEA ENI SEIS II East project in Minsk, January 2018. It covered SEEA-CF implementation aspect and SDG indicators reporting.

4. The participation in the UNECE/OECD Seminar on SEEA (21-22 February 2018) of 12 experts from the Eastern Partnership countries is financially supported by the ENI SEIS II East project.

Way forward

Developing and implementing the SEEA consists of multiple steps and accounting cannot be launched and implemented in just one time, especially in a country with little experience and lack of financial and human resources to produce accounts and update them on a regular basis. This entails establishing an institutional infrastructure based on the multidisciplinary approaches involved. The collaboration, sharing of information and creation of data flows among different government bodies is necessary. Therefore, it requires strengthening the capacity for establishing modern information infrastructure for effective data flows and reporting results based on SEIS concepts. Example of such an aspect is the need for strengthening GIS expertise in relation to environmental accounting where land matters such as ecosystem capital accounting and ecosystem services assessment (INCA KIP and MAES, UN SEEA-EEA and the related UN CBD SEEA-ENCA QSP).

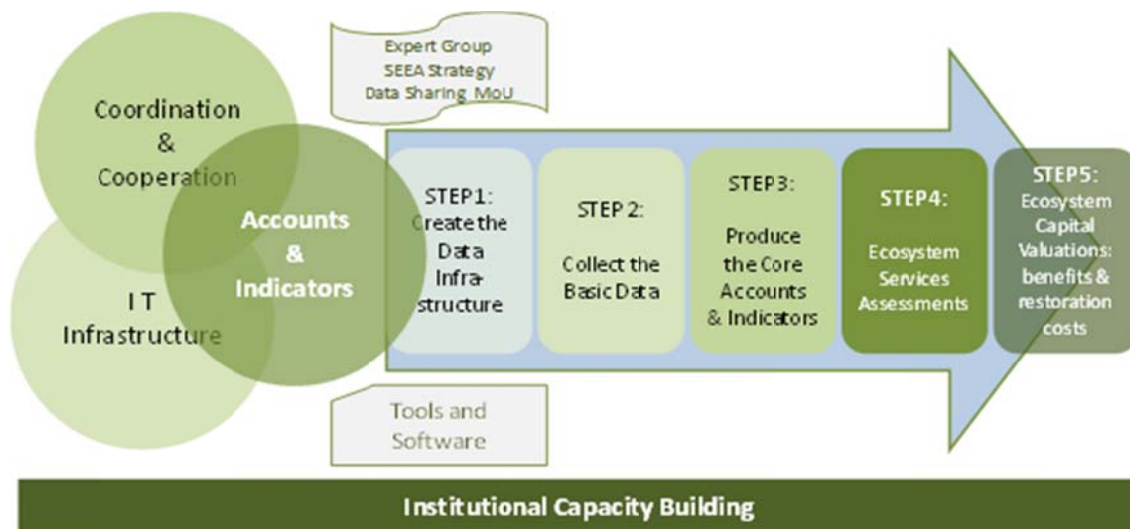
Noticeably, stakeholders' interest for ecosystem approach in environmental accounting is taken into consideration, in particular with the focus on land, carbon, water and biodiversity and their contribution to the national economy.

The building and implementation of SEEA is based on a modular approach, starting with basic layers and pilot accounts, and continually develops a relatively coherent system, including the ecosystem accounting approach based on a spatial data platform. Land cover information and data are an important point of departure in particular considering ecosystems and constitute a basic building block of environmental information aimed at informing while facilitating the SEEA progress.

The ENI SEIS II East project supports development of environmental information platforms at country level in order to set up regular assessments and reporting on environment. For water, the EEA shares knowledge and tools of the Water Information System (WISE) which operational in the EU. For Land, CORINE Land Cover (CLC) and Copernicus development provide knowledge of tools and technics to produce the information. For biodiversity issues, the EEA shares knowledge, tools and techniques consistent with NATURA 2000 reporting and the Biodiversity Information System (BISE).



The regional roadmap developed highlights some aspects to consider for successful planning and implementation, as shown in the Figure below:



The road map provides some basic recommendations and further development of environmental accounting in the six countries. It includes:

- Start with land accounts (SEEA CF and Ecosystem Accounts) and then ecosystem Natural Capital Account of carbon (forest, soil...) biodiversity and water systems.
- Connect work closely to the reporting requirements of ongoing policy processes in countries such as the Sustainable Development Strategy, Green Growth and Green Economy, and overall Sustainable Development Goals and Targets.
- Create ad hoc working groups / or an inter institutional steering committee and hold regular meetings to keeping inter-ministerial dialogue.
- Produce accounts and communicate results to relevant national stakeholders

There are challenges and opportunities linked to the evolution of data sources and satellite observation and in situ monitoring programmes. The Copernicus data and information services provide data free for the pan-European region and offer the opportunity of online regular reporting process on environment in connection with the use of modern tools and technologies.

The European Environment Agency has the capacity and knowledge of how to monitor the state of the environment using satellite information technology, various assessment techniques to provide indicators with an integrated approach as a basis for assessing the state of natural capital and ecosystems conditions. For example, the EEA has more than 10 year's practical experience in producing and disseminating land and ecosystem accounts for the 38 EU countries, expertise in water assessments with geo referenced data, expertise in

managing data on nature and biodiversity for the European Commission and in producing the consolidated EU reporting to UN FCCC.

E-governance programme towards a digital society, transforms national reporting activities towards online services. This considers repositioning and modernizing governance in the context of the emerging knowledge and information society, by embracing the evolution of the ICT infrastructures for data collection, compilation and dissemination, use SDMX based exchanges, use of non-traditional sources (Big Data), statistical cloud computing, GIS applications. This swift data revolution requires improved coordination, and institutional capacity building in data collection and management of information flows for a good environmental governance.

All information about the ENI SEIS II East project is available on the website: <https://eni-seis.eionet.europa.eu/east>

