Issue A8

Explicitly linking/integrating environmental activity accounts (ch4), asset accounts (ch5) and flow accounts (ch3)

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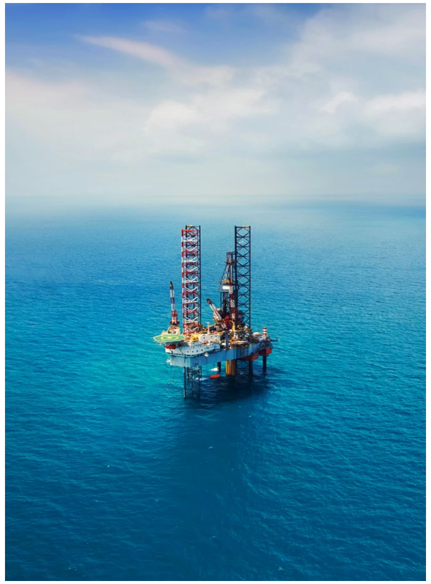
Why are we here?

- “Asset, flow and environmental activity accounts are now all described separately in the SEEA, where the links and integration of the different accounts is one of our key selling points. While this is currently mentioned in Chapters 2 and 6, the linkages could be described and highlighted more regularly through the chapters”



Challenges

- Boundaries and Gaps in accounts
- Accrual accounting
- Valuation and negative resource rents

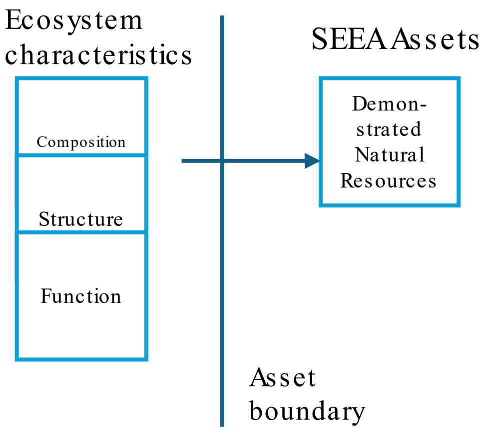
What is in the guidance note?

"Standard accounting model for the environment"

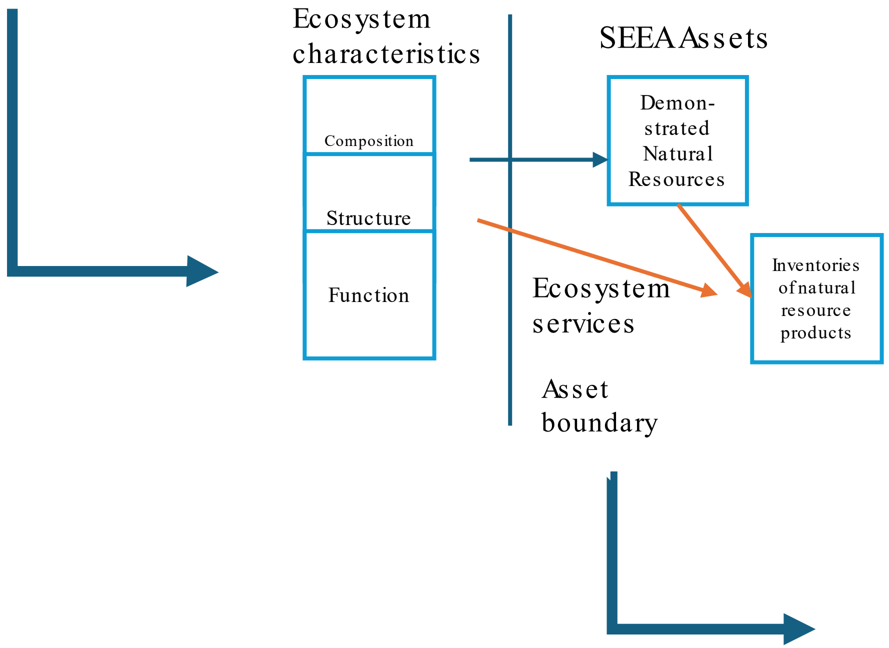
Discussion on accrual accounting

Discussion on negative resource rents

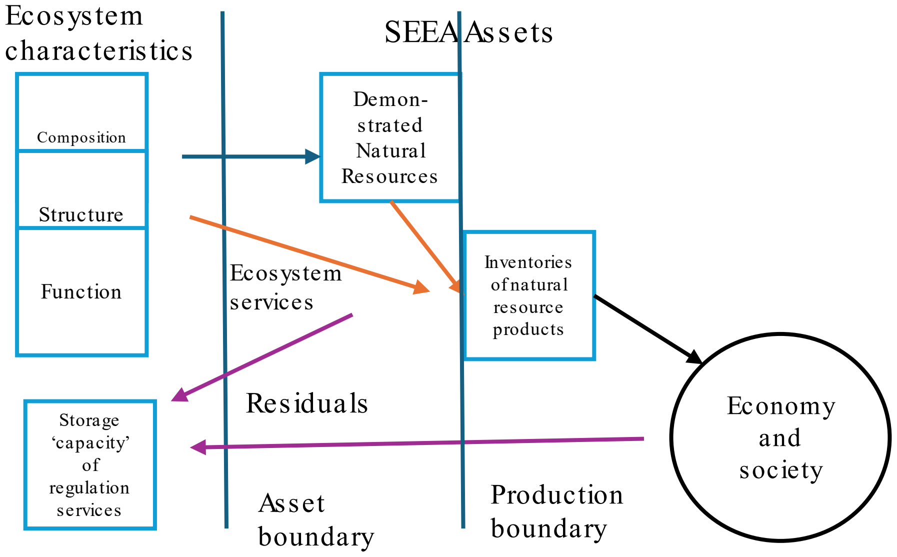
Reminder from Issue A1 – integrating ecosystems into SEEA CF



Assets



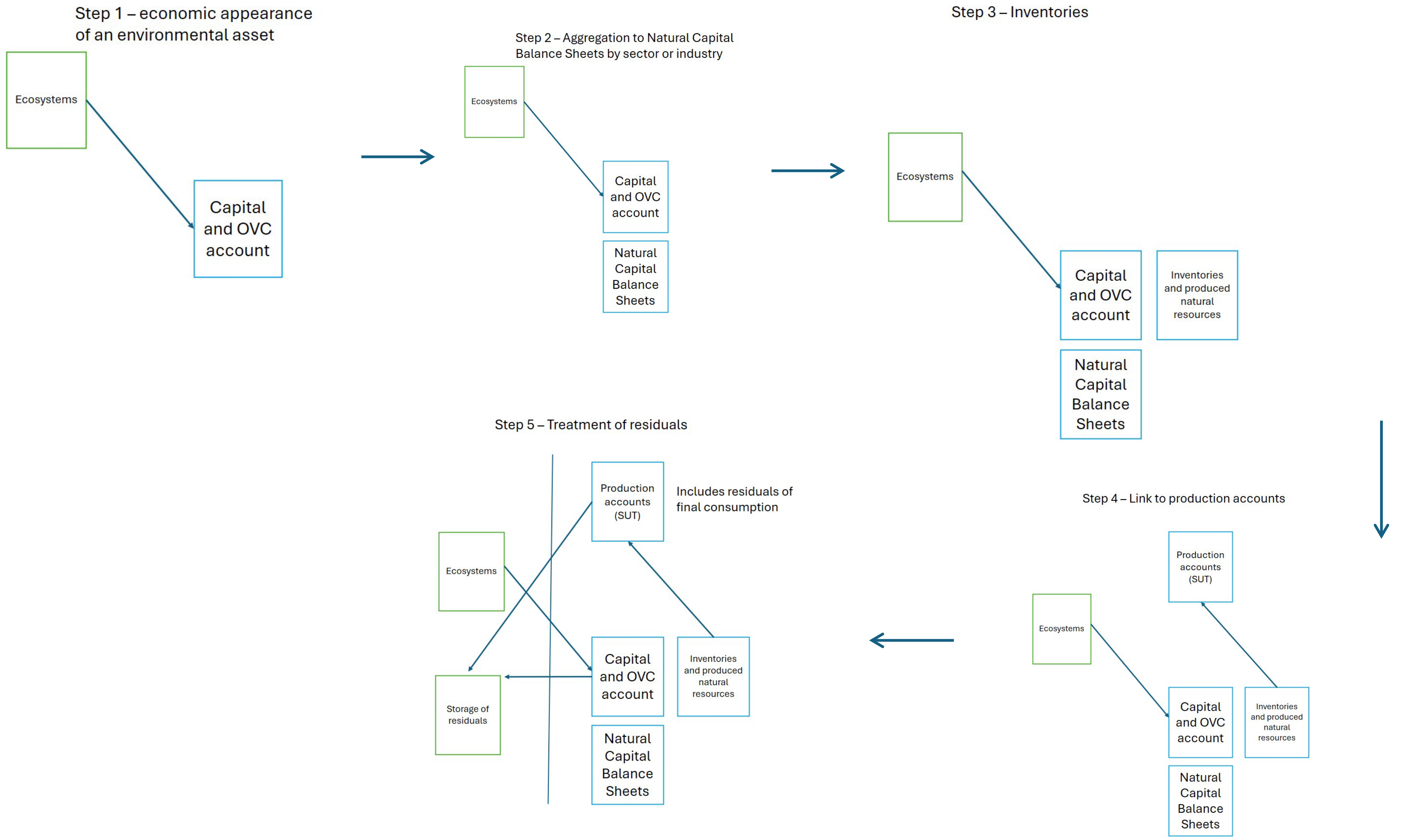
Flows



Pressures

Physical Accounts

Wrong figure in paper!



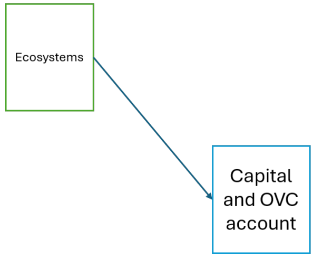
Standard account model features – physical

- Existing
  - Production accounts
  - Individual asset accounts
- New
  - Capital and other changes in volumes account
  - Inventories of natural products
  - Natural capital balance sheet
  - Residual ‘storage’ accounts

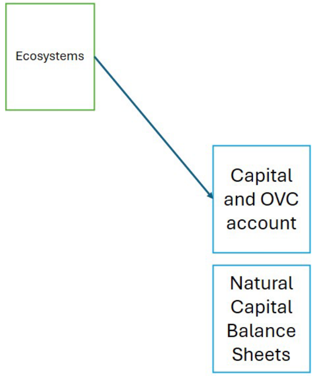
Most of these data should be available from existing compilation activities…

Monetary Accounts

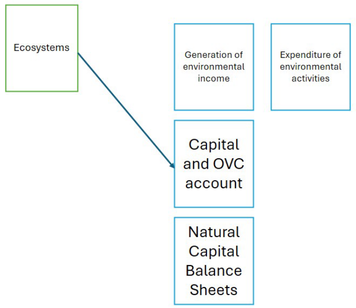
Step 1 – economic appearance of an environmental asset



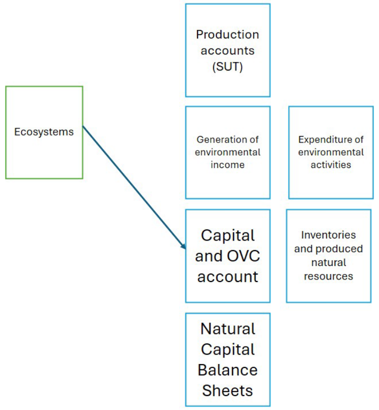
Step 2 – Aggregation to Natural Capital Balance Sheets by sector or industry



Step 3 – Introduction of the Generation of environmental income and expenditure accounts



Step 4 – Link to production accounts



From SEEA 1993!

COVC (SEEA)		SNA
1.	Other volume changes of non-produced natural assets due to economic decisions (6.1)	
1.1	Other volume changes of non-produced natural assets due to economic use (6.1.1)	K.61, K3-part, K62-part
1.2	Other volume changes of non-produced natural assets due to other economic decisions (6.1.2)	K3-part, K62-part, K12.22-part
2.	Other volume changes of non-financial assets due to natural and multiple causes, n.e.c.	K5, K7, K2, K8, K4, K9, K12-part

Standard account model features – monetary

- Existing
  - Production accounts
  - Individual asset accounts
  - Environmental activity accounts
- New
  - Capital and other changes in volumes account
  - Inventories of natural products
  - Natural capital balance sheet
  - Earned environmental income account

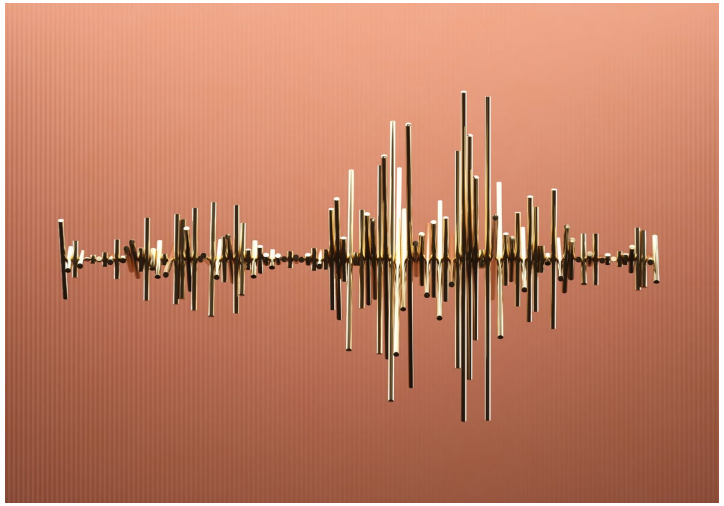
Most of these data should be elaborations from existing SNA and SEEACF compilation…

Accrual accounting

- Including inventories should help to alleviate some timing issues
  - Mining products harvested, stored and used later
  - Some timing issues with biological resources
  - Water storage
- Otherwise strengthen existing guidance

Negative resource rent

- Incorporate advice from OECD Measuring Natural Resources in National Accounts: a compilation guide
- Probably need to reconsider valuation of biological resources
  - Pascoe et al (2026) (and Australian presentation on Tuesday)



Contact!

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