DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

System of Environmental Economic Accounting

SEEA Central Framework 2028 update

Scoping note for issue A5: "Harmonization with other international classifications and updates of relevant frameworks/manuals"

Version for SEEA CF Technical Committee review, July 2025

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Note: This note is prepared in the context of the SEEA Central Framework update, mandated by the United Nations Statistical Commission in 2024, expected to finish by 2028. There are 29 update issues, and the initial task is establishing a clear scope for all of the issues. This scoping note provides a short description of a specific issue with the aim of supporting a common understanding of the work that will be needed to fully investigate and articulate the alternative approaches and recommendations for change or addition to the SEEA Central Framework. Scoping notes will be discussed by the relevant task team and inform on the further work related to the issue.

1 Background to the issue

1. The short description of issue A5 “Harmonization with other international classifications and updates of relevant frameworks/manuals” from October 2024 is:

> “Review/update of the SEEA CF in light of the recent updates of relevant international statistical classifications: The revisions of the International Standard Industrial Classification of All Economic Activities (ISIC) and Central Product Classification (CPC) have recently concluded and other revision processes are ongoing (e.g. Standard International Energy Product Classification (SIEC), Classification of the Functions of Government (COFOG), Government Finance Statistics Manual (GFSM)). The updated SEEA CF should integrate these recent developments.”

2. This update issue recognises that the SEEA Central Framework (SEEA CF) incorporates a range of classifications and, to the extent that these classifications have changed or are changing, then it is relevant to consider as part of the update process how changes in these classifications should be incorporated.

3. It is noted that since the release of the SEEA CF in 2012 changes to other international standards have occurred or are underway. These include:

    a. Balance of Payments and International Investment Position Manual (BPM7) (adopted in 2025)

    b. Monetary and Financial Statistics Manual and Compilation Guide (MFSM) 2016 (currently under revision)

    c. Classification of Individual Consumption according to Purpose (COICOP) 2018

2 Motivation for considering a change to the SEEA Central Framework

4. The SEEA Central Framework (SEEA CF) incorporates a range of classifications to ensure consistent application of international classifications and standards across statistical outputs and hence support international comparability, improved integration of data and improved efficiency in the collection, transformation and re-use of data.

3 Nature of the proposed change and research questions

5. The broad proposal for consideration is determining which changes reflected in the various international classifications and standards should be incorporated into the updated SEEA CF. As noted in the short description above, the proposed process is to work through (a) whether the changes are of relevance to the SEEA CF; and (b) to consider what changes might be needed.

6. In determining the scope of the update the following considerations are noted:

    a. In many cases, changes to classifications (ISIC, CPC, SIEC, COFOG and COICOP) are most likely to affect the structure and labelling (use of terms) in SEEA CF accounts and tables rather than drive substantive changes in conceptual treatment.

    b. Revisions in BPM7 will likely reflect changes in the 2025 SNA and hence should be picked up under SEEA CF update issue A9.

c. Potential changes to the GFSM are most likely to connect to revisions to SEEA CF Chapter 4 on accounting for environmental activity. These are also likely to be considered as part of the various update issues under Task Team-C

d. Potential changes to the GFSM concerning accounting for natural resources will build on work already reflected in the 2025 SNA and should be considered under SEEA CF update issue A9.

e. Potential changes to COFOG are most likely to connect to revisions to SEEA CF Chapter 4 on accounting for environmental activity. These are also likely to be considered as part of the various update issues under Task Team-C although there is no specific update issue concerning COFOG under that task team.

f. Potential changes to the MFSM are likely to connect to potential additions to the SEEA CF on the topic of sustainable finance which is separately considered under SEEA CF update issue C8.

7. If these considerations are considered appropriate, then the most substantive focus of discussion in the near term under this update issue is likely to be the incorporation of developments in COFOG. Other aspects of harmonisation with international classifications and standards could then be picked up either under other SEEA CF update issues, as noted above, or considered in the drafting process.

8. While aspects of harmonisation may be discussed in other SEEA CF update issues, the Guidance Note for issue A5 should seek to summarise the connections between the SEEA CF and other international standards and classifications and, in particular, highlight any variations and exceptions present or proposed for the SEEA CF.

9. In addition, the Guidance Note for this issue can operate as a common document for describing potential future developments in other international standards and classifications that emerge in the development of other SEEA CF update issues. This may include, for example, potential developments in the CPC and ISIC in relation to environmental activities and environmental goods and services pending the discussions in Task Team C.

4 Links to other SEEA CF update issues

10. As noted above, there are connections to a number of other SEEA CF update issues. In particular:

a. Issue A9 – Consistency with the 2025 SNA revision issues: In particular accounting for natural resources and the alignment between SEEA, SNA and GFSM.

b. Issue C4 – Primary and secondary purpose: Discussion of this issue links directly to the same issue as discussed in the update of COFOG.

c. Issue C5 – Climate mitigation and climate adaptation expenditure: The recording of these expenditures should align with any changes in the GFSM.

d. Issue C8 – Incorporation of sustainable finance into an accounting framework: Building on the definitions of financial instruments presented in the 2025 SNA, this issue will also need to consider potential changes from the update to the MFSM on this topic.

5 Existing materials

11. Potential materials that may be considered in developing the Guidance note include (but are not limited to):

    a. Existing standards and classifications released since 2012

    b. Documents development for update processes currently underway (COFOG, GFSM, MFSM)

12. In developing the Guidance note it will be necessary to identify the relevant experts and stakeholders for the purposes of both drafting the content of the note and also ensuring appropriately wide consultation. These experts and stakeholders have not been identified at this stage.