DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
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System of Environmental Economic Accounting

SEEA Central Framework 2028 update

Scoping note for issue A7: "Links to social domain"

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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 A7 "Links to social domain" from October 2024 is:

> "The SEEA CF provides the basis for integrating environmental and economic data, which in turn can be linked to the development of broader information sets for analysis of topics such as sustainable development. The development of broader information sets with require linking the SEEA with data on social conditions, including employment, population, household income and type, and gender in order to derive indicators and support analysis on topics such as emissions by household type and gender for employment in environmental activities."

2. The main sources of information about links to social domains are Section 2.3.6 and 6.2.6 of SEEA CF. Some further information about linking to social domains is in the SEEA Applications and Extensions guide, notably section 4.3.

3. The key sections that relates SEEA CF to social initiatives are as follows:

"2.3.6 Employment, demographic and social information

2.75 The usefulness of the information in the various tables and accounts can be enhanced by relating different environmental and economic data to estimates of employment, estimates of population, various demographic breakdowns (such as age, household income levels and household characteristics related to material well-being) and measures of societal interest such as health and education.

2.76 Examples of the application of such data include the incorporation of employment data on the production of environmental goods and services, the use of socioeconomic groupings of households to assess water and energy use and access to resources, and the linking of information on health status to data on air emissions in particular regions.

2.77 Section 6.2 discusses further the use of these types of data in the context of the Central Framework, and the SEEA Extensions and Applications presents techniques and analytical approaches to linking SEEA-based data with various types of employment, demographic and social data."

"**6.2.6 Employment, demographic and social information**

6.48 The usefulness of the information in the various tables and accounts of the Central Framework can be enhanced by relating different environmental and economic data to estimates of employment, estimates of population, various demographic breakdowns (such as age, household income levels, and household characteristics related to material well-being), and social measures, such as health and education.

6.49 Employment information, such as the number of people employed, the number of jobs, and the number of hours worked, may be used in the assessment of environmental activity from an industry perspective. In particular, there is likely to be interest in employment data related to the production of environmental goods and services as part of measures of the "green" economy.

6.50 Information on population and demographic breakdowns can be used in conjunction with information on the physical flows of water and energy to provide enhanced analysis of resource accessibility and availability, and changes in patterns of water and energy use. Demographic information used together with data on environmental protection expenditure may assist in

understanding behaviours of different socioeconomic groups in relation to this type of environmental activity.

6.51 More generally, accounting for differences in population size and structure may be important for international comparisons of environmental and economic data. For example, measures of changes in per capita air emissions may be of interest in addition to aggregate measures of air emissions.

6.52 Social measures, such as those relating to health and education, may be usefully related to certain components of the Central Framework. For example, measures of air emissions may be complemented by measures of health status. This may be particularly relevant if finer-level geographical areas are being considered. In this regard, it may also be of interest to incorporate measures of actual final consumption of households (i.e., including the transfer of individual benefits to households purchased by governments (e.g., water services provided by government)) in the comparison of consumption activity across countries.

6.53 Demographic and employment information may need to be adjusted for purposes of consistency with the concepts, definitions and classifications of the Central Framework, in particular for alignment with the concept of residence. Relevant information can be found in chapter 19 of the 2008 SNA. Techniques and analytical approaches for linking SEEA-based data with various types of employment, demographic and social data are explored further in SEEA Applications and Extensions."

4. There are limited examples of how SEEA CF and social domains have been linked in practice:
    a. Some analysis of SDGs with reference to SEEA CF
    b. From the London Group post SEEA 2012, for example, a small group of papers that overlap with other areas such as sustainable consumption, determining who pays for the environment from an environment protection expenditure lens and a paper on the economic implications of pollutants from a toxicity perspective.
5. Academic reports on linking SEEA data to the social domain has more recent focus on ecosystem accounting. They previously examined such topics as income distribution, links to social accounting matrices and social capital as well as case studies on linking social phenomena, such as health, to environmental changes, mainly from a pollutant perspective.

2 Motivation for considering a change to the SEEA Central Framework

6. Changes in the environment and use of natural resources affects outside the economy and the environment itself. Social and cultural interactions, while difficult to measure are a fundamental way in which we manage ourselves and our local environment.
7. The expectation for SEEA from early editions was to have a compatible framework with at least the SNA, but also have alignment with information on society, if not with some of the core themes of society, for example, such as those portrayed in the set of Sustainable Development Goals.
8. There is a lack of guidance around what is a social domain or set of social conditions in environmental economic accounts. Section 4.3 in the SEEA Applications and extensions outlines some common social connections, there is a distinct lack of definition.

9. While the use of data linking to social issues such as health, employment, education and gender are mentioned in sections 2.3.6 and 6.2.6, there are no guidelines on to what extent or to which datasets should be prioritised for linking.

10. This issue is strongly linked to the development of a statement on indicators (issue A2) and the links to thematic and policy (issue A6). If there is general agreement that more information on the development of these issues in SEEA CF, then consideration should be given to the further elaboration of social (and cultural) links.

3 Nature of the proposed change and research questions

11. The broad proposals for consideration are:

    a. If the guidance note should work towards a clear definition of what a social domain or social conditions represent in connection with SEEA CF;

    b. Whether section 2.3.6 and 6.2.6 from the SEEA CF should be extended be more strongly linked to a set of social conditions [1] that predetermine health and wellbeing, or;

    c. If the language throughout the SEEA CF should be strengthened to take into consideration of a stronger link to the social domain, for example, linked to a broader suite of indicators attached to relevant accounts.

12. The first proposition is complex, the guidance note will need significant work to coordinate a definition and any connections to SEEA, it is likely that this will need some dedicated research. If the answer to the second proposal is yes, the guidance note should reflect a stronger set of wording around linking beyond the environment and the economy. On the third proposal, there is a case to integrate this issue with A2 Indicators as a broader suite of information and guided by A6 Thematic accounts and links to policy.

13. After discussion with the Task Team the following approach was recommended for the guidance note:

    a. Approaches b and c where generally accepted with the caveats below. Approach a was rejected.

    b. Focus on 10 or so social themes and how they connect to SEEA CF. Explore each of the connections in depth.

    c. The guidance note should work in parallel with the Friends of the Chair on social and demographic statistics (with assistance from UNSD)

    d. The focus of the connection between SEEA CF and social themes should highlight the accounting tables that link to social and demographic information.

    e. One focus to examine is the link between impacts measured in SEEA CF (chapter 3) and the adaptation components in chapter 4.

    f. Health, gender, education and food security were suggested as priority themes.

[1] Social, economic, and political factors, including the built environment, that strongly shape, and are shaped by, those circumstances in which people live and work. Social conditions include not only features of individuals and households, such as income, wealth, educational attainment, family structure, housing, and transportation resources, but also features of communities, such as the prevalence and depth of poverty, rates of crime, accessibility of safe places to play and exercise, availability of transportation to jobs that provide a living wage, and availability of good schools and sources of nutritious food in a neighborhood. (Link and Phelan, 1995)

4 Links to other SEEA CF update issues

14. In taking forward work on integrating more information about linking social domain, links should be made to the following SEEA CF update issues

    a. Issue A2 – Indicators. Analytical extensions should be coordinated under a broader system of indicators and their extensions for analysis.

    b. Issue A6 – Introduction of thematic accounts and strengthening the link to policy. There is significant risk of overlap with this issue, especially if the development of a thematic approach considers some of the determinants of social domains or conditions.

5 Existing materials

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

    a. A limited set of research and papers on linking social information from the previous SEEA CF process and from London Group papers that have attempted to address this.

    b. Case studies on linking SEEA CF to social domains by countries (eg, Sweeden, Australia, Pakistan).

    c. Paying regard to studies and programs from agencies such as the World Bank and OECD on linking environment to social conditions such as gender, health, employment and opportunities.

    d. Internationally recognised indicator programs such as the Sustainable Development Goals have a range of social issues which could be connected to the environment accounts. Examples such as the Global Biodiversity indicators suite contain some of the latest thinking about which social issues link to the environment, with a biodiversity lens.

    e. Country examples of mixed accounting outputs (eg Netherlands/NAMEA, Social Accounting Matrices)

    f. Work on measuring sustainable development with a 3 (4, 5…) capital approach.

    g. Chapter 34 and 35 from SNA 2025 revision

16. In developing a 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. Considering the development of social information over the past 30 years, care should be taken to delimit between the well-being agenda and determinants of social domains, capital or conditions.