

Transfers in the Environmental Accounts



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Overview

- Purpose: Show progress since last meeting
- Environmental taxes, outcome paper
- Environmental transfers, outcome paper
- Remaining issues



Outcome paper on taxes

- Keep the Environmental tax definition
- VAT can be included when related to physical use

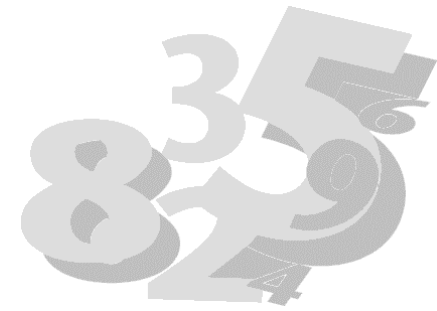
To do for UNCEEA meeting:

- Taxes vs fees to be clarified in accordance with SNA rev
- Add clarification on resource taxes



Environmental related transfers

- SEEA transfers: to cover all the economy including households a "SEEA-package" is needed
- SEEA – environmentally motivated subsidies
- SEEA – potentially damaging to the environment



Outcome paper SEEA transfers - definition

The on-budget SEEA transfers:

- 1. Subsidies**
- 2. Investment grants**
- 3. Social transfers in kind**

All defined by the SNA



Outcome paper SEEA transfers – selection criteria

- Selection criteria for environmentally motivated SEEA-transfer is to follow the same approach as for environmental protection expenditures :

The primary motive/technical nature of the transfer



Remaining issues

- 1. Environmentally related transfers need a classification to follow**
- 2. The on-budget SEEA transfers are formed by adding the SNA-subsidies, the transfers to public authorities and to households, and to also include the capital transfers. Both on-budget and off-budget items are of interest to cover.**
- 3. Selection criteria for Potentially Environmentally Damaging SEEA-transfers is suggested to be the list on tax bases from the environmental tax area, combined with an intensity criteria for different industry support.**
- 4. Preferential tax treatments are calculated and reported separately as off-budget SEEA transfers.**



Remaining issues - Environmentally related transfers need a classification to follow

It is proposed that an expert group discuss and develop an outline of a new classification specifically aimed at environmentally related transfers. It is important that any new initiatives can communicate with existing classifications to enable deeper analysis.

- Can be discussed in the Eurostat TF



Remaining issues - The on-budget SEEA transfers are formed by adding the SNA-subsidies, the transfers to public authorities and to households, and to also include the capital transfers. Both on-budget and off-budget items are of interest to cover.

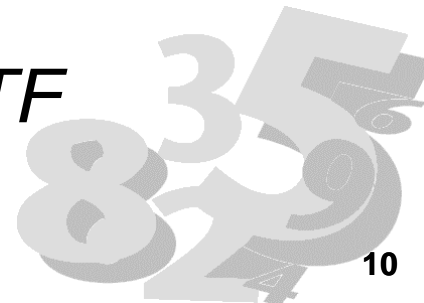
It is proposed that the environmentally related transfers are divided into two groups: The environmentally motivated transfers and the potentially environmentally damaging transfers.



Remaining issues - Selection criteria for Potentially Environmentally Damaging SEEA-transfers is suggested to be the list on tax bases from the environmental tax area, combined with an intensity criteria for different industry support.

It is proposed that the emission intensity of an industry, as compared to the country mean, or to a region mean, is used to single out what transfers should be regarded as PED. When the state supports products through the transfers to another authority, the same list that defines what is regarded as an environmental tax is suggested to be used.

- Can be discussed in the Eurostat TF



Remaining issues - Preferential tax treatments are calculated and reported separately as off-budget SEEA transfers.

It is proposed that an expert group discuss this issue and propose a way forward. It may be to develop a methodology to calculate preferential tax treatments or to lead the way in other directions as it sees fit.

- Can be discussed in the Eurostat TF



Eurostat TASK FORCE

- To meet the first time in February 2010.
- Need to discuss transfers in detail
- Based on growing knowledge in countries
- → gather & compare data
- Outcome to be: tested methodology





Thank you for your attention!

