**Classifying economic activities on management, conservation and restoration of ecosystem and biodiversity in ISIC**

**Description of issue**

Ecosystem and Biodiversity, and the benefits it provides, is fundamental to human well-being and a healthy planet. Despite ongoing efforts, biodiversity is deteriorating worldwide and this decline is projected to continue or worsen under business-as-usual scenarios.

The Convention of Biological Diversity will soon be adopting the post-2020 global biodiversity framework, as a stepping-stone towards the 2050 Vision of “Living in harmony with nature”. The post-2020 global biodiversity framework builds on the Strategic Plan for Biodiversity 2011-2020 and sets out an ambitious plan to implement broad-based action to bring about a transformation in society’s relationship with biodiversity and to ensure that, by 2050, the shared vision of living in harmony with nature is fulfilled. The framework has 21 action-oriented targets for urgent action over the decade to 2030. The framework is built around a theory of change which recognizes that urgent policy action globally, regionally and nationally is required to transform economic, social and financial models so that the trends that have exacerbated biodiversity loss will stabilize in the next 10 years (by 2030) and allow for the recovery of natural ecosystems in the following 20 years, with net improvements by 2050 to achieve the vision of “living in harmony with nature by 2050”[[1]](#footnote-1). Beyond the CBD’s post-2020 global biodiversity framework, the UN General Assembly made a bold call to action in March 2019 declaring that this next decade will be the UN Decade on Ecosystem Restoration. This “Decade” aims to scale up the restoration of degraded ecosystems as a proven measure to tackle the climate crisis and enhance food security, water supply and biodiversity[[2]](#footnote-2).

Central to is for policy action to enhance the integrity of ecosystem, reduce threat to biodiversity and maintained or enhanced nature’s contributions to people through conservation and sustainable use, via various policy instruments such as direct government services (e.g. establishment of protected areas, etc.) or regulatory instruments or market incentives (e.g. payment for ecosystem, etc.) that alter household and industry behaviour for ecosystem and biodiversity actions. This results in a change of industrial structure and the emergence of new economic activities related to the management, conservation and restoration of ecosystem and biodiversity.

Currently, economic activities related to the management, conservation and restoration of ecosystem and biodiversity are not explicitly reflected and integrated in ISIC. The current proposal provides an initial attempt to introduce changes to recognize such activities in ISIC structure.

**Issue summary**

The objective of this issue paper to propose changes in ISIC structure and improve description for the recording of activities on management, conservation and restoration of ecosystem and biodiversity, by creating new classes. This includes activities aimed at protection of soil, water, landscape and biodiversity, sustainable management of forest resources and other ecosystem management activities.

**Proposals**

1. In Division 81 ‘Services to buildings and landscape activities’, it is proposed to create a new group 814 “Ecosystem management” for economic activities on ecosystem management and define four new classes under this new group to record activities on for “protection of soil and water”, “biodiversity and landscape”, “sustainable management of forest resources” and “other environmental protection activities”.

Creation of such group would allow recording of work activities at the heart of ecosystem governance and management, meaning direct interventions on natural and semi-natural ecosystem aiming at restoration and habitant maintenances, management of invasive alien and other activities related to the environmental and ecosystem management and governance.

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| **Division** | **group** | **class** | **Description** |
| Division 81 | |  | Services to buildings and landscape activities |
|  | 811 |  | Combined facilities support activities |
|  | 812 |  | Cleaning activities |
|  | 813 |  | Landscape care and maintenance service activities |
|  | 814 |  | Ecosystem management activities |
|  |  | 8411 | Protection of soil and water |
|  |  | 8412 | Biodiversity and landscape |
|  |  | 8413 | Sustainable management of forest resources |
|  |  | 8419 | Other ecosystem management activities |

The recording on maintenance of land in order to keep it in good ecological condition is proposed to move from 813 “landscape care and maintenance services activities” to the new created class 814 “Ecosystem management”. The title of division is also proposed to rename as a result to reflect the ecosystem management activities.

1. Public administration programme on climate change and ecosystem protection restoration is become more prominent and become a major element of the government policy on sustainable development. In Division 84 ‘Public administration and defence, compulsory social security’ under Group 841 “Administration of the State and the economic and social policy of the community”, it is proposed to create a new class for the public administration activities on ecosystem management and climate regulation to reflect the public administration and regulation, including subsidy allocation, relating to 1) ecosystem conservation and restoration and 2) climate change mitigation and adaption.

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| **Division** | **group** | **class** | **Description** |
| Division 84 | |  | Public administration and defence; compulsory social security |
|  | 841 |  | Administration of the State and the economic and social policy of the community |
|  |  | 8421 | General public administration activities |
|  |  | 8422 | Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security |
|  |  | 8423 | Regulation and contribution to more efficient operation of business |
|  |  | 8424 | Public administration activities on ecosystem management and climate regulation |

1. Operation of nature reserves is currently classified in Class 9103 ‘Botanical and zoological gardens and nature reserves activities under Division 91 ‘Libraries, archives, museums and other cultural activities’. It is argued that the underlying nature of operation activities of botanical and zoological gardens, which are the operation activities to meet recreational interests, is different from the operation activities of nature reserves including protected area, which are operation activities to preserve nature and protect ecosystem biodiversity. It is proposed to create a new class “nature reserve and protective areas activities’, which cover the operation activities of nature reserve, protected areas, areas under ecosystem restoration and species conservation in both terrestrial and marine site. Such information is in particular relevant to inform Target 2-4 for the Post-2020 Global Biodiversity Framework.

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| **Division** | **group** | **class** | **Description** |
| Division 91 | |  | Libraries, archives, museums and other cultural activities |
|  | 910 |  | Libraries, archives, museums and other cultural activities |
|  |  | 9101 | Library and archives activities |
|  |  | 9102 | Museums activities and operation of historical sites and buildings |
|  |  | 9103 | Botanical and zoological gardens ~~and nature reserve activities~~ |
|  |  | 9104 | Nature reserve and protected areas activities |

**Annex 1: Issues in classifying ecosystem management and restoration activities in existing ISIC structure**

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| **Relevant group/class in ISIC Rev.4** | **Description** | **Issues** |
| Class 0161 (Support activities for crop production) | Covers maintenance of land to keep it in good ecological condition for agriculture use | The scope of this class only limited to land for agricultural use |
| Class 8130 (Services to buildings and landscape activities) | Covers maintenance of land in order to keep it in good ecological condition | The focus of this class is to cover the planting, care and maintenance of parks, gardens and greenery for buildings and infrastructure, rather than conservation and restoration of ecosystem. |
| Class 8412 (Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security) | Covers public administration of programmes aimed to increase personal well-being, including administration of environmental protection programmes | Public administration programme on climate change and ecosystem protection restoration is become more prominent and become a major element of the government policy on sustainable development. The current class does not explicit reflect such activities. |
| Class 9103 (Botanical activities and operation of historical sites and building | Covers includes operation of botanical and zoological gardens and operation of nature reserves. | Operation activities of botanical and zoological gardens, which are the operation activities to meet recreational interests, is different from the operation activities of nature reserves including protected area, which are operation activities to preserve nature and protect ecosystem biodiversity. |

1. https://www.cbd.int/doc/c/abb5/591f/2e46096d3f0330b08ce87a45/wg2020-03-03-en.pdf [↑](#footnote-ref-1)
2. https://www.decadeonrestoration.org/ [↑](#footnote-ref-2)