



System of Environmental- Economic Accounting for Material Flows (SEEA-MFA): Drafting Process

Fourth Meeting of the UN Committee of Experts on Environmental-Economic Accounting
New York, 24-26 June 2009

United Nations Statistics Division



Background

UNCEEA meeting June 2008:

- UNCEEA reviewed the proposed annotated outline for the revision process (Annex I in discussion paper)
- UNSD has started the process of drafting the SEEA-MFA as proposed in the annotated outline
- UNCEEA approved the scope and coverage of the SEEA-MFA as proposed in the UNSD discussion paper presented at the meeting



Scope and coverage of SEEA-MFA

- The aim of the SEEA-MFA is to provide an international statistical standard for material flow accounts, consisting of concepts, definitions, accounting rules, and the related tables and accounts
- These accounts focus on the extraction of material resources from the environment, their physical supply and use within the economy, and their return to the environment
- SEEA-MFA allows the physical flow accounts to be linked to the monetary accounts, preparing for the development of hybrid accounts



Work in Progress on the SEEA-MFA

- The UNSD has started drafting the SEEA-MFA as part of its regular programme of work, with input from the London Group, the Eurostat/EFTA Task Force on the MFA, the OECD, and other experts
- A draft of chapters 1-4 of the SEEA-MFA has been prepared by a consultant and is now being revised
- Work is beginning on two additional chapters:
 - Chapter 5: MFA sub-accounts, including waste
 - Chapter 6: Applications



Recent Activities: Classification Issues

- An issue paper on the classification of physical flows was prepared by UNSD and presented at the 14th Session of the London Group on Environmental Accounting in Canberra, December 2008
- This paper proposes to use the Central Product Classification (CPC) for all flows except waste.
- For waste flows, the paper proposes to use the European Waste Classification (EWC).
- The London Group supported the formation of a small group of key stakeholders to develop a consensus proposal. This group will complete a proposal on physical flow classifications, including water and MFA flows.



Recent Activities: Biological Resource Flows

- An outcome paper on the treatment of biological resource flows has been prepared and will be submitted for review by the London Group
- Based on the outcome of London Group discussions, the paper proposes a composite standard:
 - For cultivation under near-natural conditions, flows from the environment to the economy are measured as the biomass that is transferred to the economy
 - For cultivation dominated by an economic process, flows from the environment to the economy consist of the ecosystem inputs such as nutrients that are used in the production process



Future Activities: 2009

- Establish a review group consisting of members of the Eurostat Task Force and other MFA experts to assist in drafting and commenting on draft chapters
- Create a website to facilitate consultation on the SEEA-MFA
- Revise and circulate chapters 1 through 4
- Draft remaining two chapters of SEEA-MFA
- Prepare technical papers on remaining issues for 14th London Group meeting (Nov. 2009)



Future Activities: 2010 and beyond

- Submit drafts of chapters 5 and 6 to review group and revise for comments
- Expert Group Meeting to discuss the complete draft of the SEEA-MFA (Spring 2010)
- Final London Group comments on complete draft
- World-wide consultation on the final draft
- UNCEEA approval and recommendation to the UNSC (early 2011)



Questions to the UNCEEA

- *Does the UNCEEA agree with the process and timetable for the preparation of the SEEA-MFA?*
- *Does the UNCEEA agree in principle with the draft Annotated Outline of the SEEA-MFA?*