



DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS



System of
Environmental
Economic
Accounting

System of Environmental-Economic Accounting 2012 – Experimental Ecosystem Accounting Revision

First Global Consultation on:

Chapter 8: Principles of valuation for Ecosystem Accounting

Chapter 9: Accounting for ecosystem services in monetary terms

Chapter 10: Accounting for ecosystem assets in monetary terms

**Chapter 11: Integrated and extended accounting for ecosystem services and
assets**

Comments Form

Deadline for responses: 6 July 2020

Send responses to: seea@un.org

Name:	Leon C Braat
Organization & country:	Elsevier, Editor-in-Chief Journal Ecosystem Services, The Netherlands

The comment form has been designed to facilitate the analysis of comments. There are twelve guiding questions in the form, please respond to the questions in the indicated boxes below. To submit responses please save this document and send it as an attachment to the following e-mail address: seea@un.org.

All documents can be also found on the SEEA EEA Revision website at:

<https://seea.un.org/content/seea-experimental-ecosystem-accounting-revision>

In case you have any questions or have issues with accessing the documents, please contact us at seea@un.org

Questions related to Chapter 8

Question 1: Do you have comments on the principles proposed to underpin monetary valuation for the revised SEEA EEA, including the use of exchange values and net present value approaches?

I do understand that these choices were made, but there is a lot of professional literature on non-monetary valuation of ecosystem services, particularly for cultural ecosystem services. With the ambition to value bundles of services from Ecosystem Assets, I suggest to include in the tables space for (relative) preference scores. This will inform the users of the accounts that there is more and differentiated value produced by Ecosystem Assets than is documented by the exchange value / NPV approach.

Question 2. Do you have any suggestions for topics to include in Annex 8.1?

Yes. We published Special Issues on Integrated Valuation (addressing the issue under Question 1; find Sander Jacobs et al., in Ecosystem Services) and on Shared Values (find Japer Kenter et al., in Ecosystem Services, which look at (the relative size of) groups in the population of users which share similar preferences.

Question 3. Do you have any other comments on Chapter 8?

Only 1, which you proceed to deal with in Chapter 11. The ecosystem services community has worked hard on developing classifications, and with CICES we have a very detailed one.

It should be good, if you aim to include in the Accounting community the Ecosystem Services Community, to explain already in Chapter 8 the way “provisioning services” (e.g. agricultural products, timber, caught fish etc) are dealt with in the Accounting world.

The net contribution of agricultural ecological systems (soil contents & soil-flora & fauna; the seeds of crops, the recycling capacity in the soil ecosystem, and surrounding systems like hedges) can be separated from the “man-made inputs”.

Questions related to Chapter 9

Question 4. Do you have comments on the range of valuation methods proposed for use in estimating exchange values of ecosystem services?

No. Well written and clarified.

Question 5. Do you have any other comments on Chapter 9?

Nope.

Questions related to Chapter 10

Question 6. Do you have comments on the definitions of entries for the ecosystem monetary asset account including ecosystem enhancement, ecosystem degradation and ecosystem conversions?

There is of course a long-standing discussion on estimating the monetary value of an ecosystem by estimating NPV of future services. In the Netherlands, in the 1980s (I do not know if it has changed) the price of a hectare of agricultural land was based on NPV of 30 years of production (different crops, or pasture).

If this is done based on provisioning services revenues only, it is likely to be very much undervalued. Even most agricultural systems are appreciated by people and indirectly contribute to regional income via tourism etc.

Future ecosystem asset value should not be discounted for non-market products/services. So that may complicated matters.

Question 7. Do you have comments on the recommendations concerning the selection of discount rates for use in NPV calculations in ecosystem accounting?

See Question 6.

Question 8. Do you have comments on Annex 10.1 describing the derivation and decomposition of NPV?

No.

Question 9. Do you have any other comments on Chapter 10?

No.

Questions related to Chapter 11

Question 10. Do you have comments on the proposed structure of the extended balance sheet that integrates the monetary values of ecosystem and economic assets?

No.

Question 11. Do you have comments on the approaches to assigning the ownership of ecosystem assets that underpins the structure of the extended sequence of institutional sector accounts?

This may become a very complicated issue, as different countries have different legal systems. The notion of public versus private goods may be explored to simplify this.

Question 12. Do you have any other comments on Chapter 11?

The explanations of the ways SNA vs SEEA deal with provisioning services economic sectors needs to be introduced in Chapter 8, and can then be elaborated in Chapter. 11.