

# Treatment of Emission Permits - Implications for the SEEA

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# Outline

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- Background
- Current treatment in SEEA 2003
- Treatment in the SNA 2008 (Sylvie Le Laidier)
- Points for discussion

# Background

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- Discussed briefly at LG12. Issue paper prepared for LG13. Discussion paper for LG14
- Identify differences between SEEA and SNA 2008
- LG's position to await the AEG decision, but not necessarily to suggest to limit SEEA to it
- Still several unresolved issues
- Joint OECD-Eurostat task force on emission permits in the national accounts

# Treatment in SEEA 2003

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- § 7.75 Atmospheric systems are ecosystem assets

SNA 1993

SEEA 2003

- Non-financial intangible non-produced assets
- Leases and other transferable contracts
- Appearance / disappearance
  - Other changes in volumes
- Acquisitions less disposals
- Capital transfers
- Holding gains / losses

- Example: All permits are auctioned

# Non Financial Asset: (1/5)

## Events

**1 Allocation of emission permits by auction ; Quantity=10 ; Price=10**

1.1 Appearance of AN22

1.2 General Government sells permits to firm 1

F2 : currency and deposits

AN22 : intangible non produced assets

K3 : economic appearance of non produced assets

K22 : acquisitions less disposals of intangible non produced assets

Events	Firm 1			General Government		
	$\Delta A$	Capital Account	$\Delta L \& NW$	$\Delta A$	Capital Account	$\Delta L \& NW$
1.2	K22/AN22	100	0 B8	K22/AN22	-100	0 B8
	$\Delta A$	Financial Account	$\Delta L \& NW$	$\Delta A$	Financial Account	$\Delta L \& NW$
1.1	F2	-100		F2	100	
	$\Delta A$	Other changes in volume of assets Account	$\Delta L \& NW$	$\Delta A$	Other changes in volume of assets Account	$\Delta L \& NW$
1.1				K3/AN22	100	

# Non Financial Asset: (2/5)

## Events

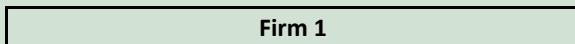
2 Market price changes +20%

K11 : nominal holding gains/losses

Changes in net worth due to :  
 B10.1 : saving and capital transfers  
 B10.2 : other changes in volume assets  
 B10.3 : nominal holding gains / losses

Total B10 : changes in net worth

## Events



	$\Delta A$	Revaluation account	$\Delta L \text{ \& } NW$
2	K11/AN22	20	
			20 B10.3

# Non Financial Asset: (3/5)

## Events

**3 Firm 2 buys 48 to Firm 1 Quantity=4 ; Price=12**

3.2 sale of the intangible non produced asset

F2 : currency and deposits

AN22 : intangible non produced assets

B9 : net lending (+), net borrowing (-)

Changes in net worth due to : B10.1 : saving and capital transfers

B10.2 : other changes in volume assets

B10.3 : nominal holding gains / losses

Total B10 : changes in net worth

Events	Firm 1			Firm 2			General Government		
	$\Delta A$	Capital Account	$\Delta L \& NW$	$\Delta A$	Capital Account	$\Delta L \& NW$	$\Delta A$	Capital Account	$\Delta L \& NW$
3.2	K22/AN22	-48		K22/AN22	48				
	B9	-52	0 B10.1	B9	-48	0 B10.1	B9	100	100 B10.1
	$\Delta A$	Financial Account	$\Delta L \& NW$	$\Delta A$	Financial Account	$\Delta L \& NW$	$\Delta A$	Financial Account	$\Delta L \& NW$
3.2	F2	48	-52 B9	F2	-48	-48 B9			100 B9

# Non Financial Asset: (4/5)

**Events**

- 4 Surrender**
- 4.1 extinction of the intangible non produced asset

- AN22 : intangible non produced assets
- K6 : economic disappearance of non produced assets
- Changes in net worth due to :
  - B10.1 : saving and capital transfers
  - B10.2 : other changes in volume assets
  - B10.3 : nominal holding gains / losses
- Total B10 : changes in net worth

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# Non Financial Asset: (5/5)

Changes in net worth due to :

- B10.1 : saving and capital transfers**
- B10.2 : other changes in volume assets**
- B10.3 : nominal holding gains / losses**

F2 : currency and deposits

AN22 : intangible non produced assets

- Changes in net worth due to : B10.1 : saving and capital transfers
- B10.2 : other changes in volume assets
- B10.3 : nominal holding gains / losses

Total B10 : changes in net worth

Firm 1			Firm 2			General Government		
A	Changes in Balance Sheet	L & NW	A	Changes in Balance Sheet	L & NW	A	Changes in Balance Sheet	L & NW
AN22	0		AN22	0				
AF2	-52		AF2	-48		AF2	100	
Changes in net worth			Changes in net worth			Changes in net worth		
	0	B10.1		0	B10.1			B10.1
	-72	B10.2		-48	B10.2		100	B10.2
	20	B10.3			B10.3			B10.3
	<b>-52</b>	<b>B10</b>		<b>-48</b>	<b>B10</b>		<b>100</b>	<b>B10</b>

# Main points

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- Only asset accounts are affected
  - Capital account (non-financial accounts)
  - Financial account (financial accounts)
  - Other changes in volume (financial accounts)
  - Revaluation account (financial accounts)
  - Changes in balance sheet (financial accounts)
- Current accounts and gross operating surplus are not

# Treatment in the SNA 2008

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# Points for discussion

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- Do you agree that the description of the monetary flows in the revised SEEA should follow the SNA 2008?
- Do you agree that the description of the monetary flows should be complemented with tables showing the physical flows?
- How to proceed?

# Contact information

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