DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

System of Environmental Economic Accounting

Classification of Environmental Functions

Global Consultation

Comments Form

Deadline for responses: 31 December 2022
Send responses to: seea@un.org

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The comment form has been designed to facilitate the analysis of comments. There are three 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 website at: https://seea.un.org/content/global-consultation-classification-environmental-functions

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

Question 1: Do you have any comments on the proposed structure of the Classification of Environmental Functions?

1) Water split between divisions 2 and 4: this comes from CEPA and I understand the need to ensure continuity, as well as the fact that division 2 is about wastewater and water savings, whereas division 4 is about pollution and erosion. However, having water in two separate divisions is confusing at first sight. So it might help to rename division 4 to something like "Soil, *water quality*, biodiversity and forest", and better explain the general scope of the division which is described simply in the explanatory notes as "Activities, measures and products aimed at protection and remediation of soil and water, biodiversity and forests": "protection" is a bit vague. It is explained for the groups but if one only reads the description of the divisions, the difference between the two divisions isn't clear
2) The "functional character" as defined for CEF, the same as for CEPA and CReMA, is confusing and inherently contradictory. On one side the "CEF encompasses all activities, goods and services that have an environmental purpose". On the other "The principal basis for determining the environmental purpose of an activity is the technical nature of the activities and produced goods and services…whatever the stated motivations and presumed or real effects are". So on one side you look at the "purpose" and on the other you dismiss the "stated motivation"? It's nonsense. Moreover, it is said "From a statistical point of view, the technical nature is the most neutral basis for determining the environmental protection purpose. Indeed it allows checking the purpose of production activities by considering their suitability from a technical perspective for achieving the environmental purpose, whatever the motivation of the agent that performs it. It should be also considered that, the purpose of an activity is different from the effect of an activity. Actions and activities undertaken for other than environmental purposes (e.g. human health) can have positive environmental effects; these activities are out of the CEF scope". Again a nonsense: actions and activities undertaken for other than environmental purposes and having positive environmental effect ARE suitable from a technical perspective for achieving the environmental purpose. Thus this definition is inconsistent: either you have a functional classification, which is based on objectives (i.e. stated motivation) or a structural classification, i.e. based on the effects (regardless of the stated motivation). The former works better for things like wastewater whereas the latter works better for cross-cutting themes such as biodiversity and climate. Notice that one might have a double-entry classification, with a functional layer and a structural one
3) Division 1: climate is weakly defined and should not really be part of the classification, not as such at least. E.g. in the explanatory notes, for group

1.1 it is said "…measures and activities aimed at the control of emissions of greenhouse gases", which is very vague and not helpful: what does it mean to "control" GHG emissions? Climate is too complex and cross-cutting to be defined so narrowly and vaguely.

Question 2. Do you have any comments on the explanatory notes and on the heading reference?

- Division 1, greenhouse gases should be mentioned in the general description, not just for group 1.1, otherwise it isn't clear why climate is there
- In the description of measures to reduce air pollution, GHGs or energy savings, nowhere is specified measure to reduce consumption (the single most important measure). It's all about "cleaner" products/activities. Unless these measures can be classified under e.g. "ETIGA linked to the management and saving of heat and energy" (group 1.3).
- It is odd to include incineration/burning of biomass in division 1, given its contribution to air pollution
- Class 1.2.1: unclear why "production of biomass to be further processed into biofuels" should be excluded, given the inclusion of both biomass and biofuels
- Sometimes it's unclear how some of the examples are related to the scope of the group/class. For example, for 3.2.2 (minerals) it says "Activities, measures and products aiming at minimising the intake of minerals (metallic and non-metallic) through increased efficiency, substitution, recovery and reuse of materials". Among the list of included activities there are "activities aimed at reducing scrap and the recovery of mineral based materials from waste streams", such as mechanical crushing and dismantling of vessels, which by themselves do not involve any recovery, unless you make it explicit that is e.g. dismantling of vessels to reuse metal. It is thus more akin to waste collection activities.
- Another example is class 4.1.3. (Protection from erosion and other physical degradation of soil and water): how would organic aquaculture protect water from physical degradation? I presume that it's with respect to non-organic aquaculture (see comment below on benchmarking)

Question 3. Do you have any other comments on the Classification of Environmental Functions?

- There is a general question concerning benchmarking (completely absent from the classification): when we say “cleaner products/activities” or “less harmful for soils and water bodies”, to what benchmarks are we referring? i.e. cleaner and less harmful with respect to what? “best technology” (defined how?)? business as usual? A normative standard? Else? Some kind of benchmarking should be defined.
- There is another question on the boundaries of “other activities”, e.g. class 4.1.6 defined as “All other activities, measures and products aimed at protecting and remediating soil, groundwater, surface water and marine waters”. Put like this is leaving the door wide open to greenwashing, unless of course one specifies what these other activities are and quality checks are run and/or assessed against a benchmark
- I always wondered why protection from noise (e.g. for purposes of protection for employees in the workplace) is included in a classification on the environment (the same might be said about landscape protection)
- As mentioned already, sometimes a more precise description of activities would be needed, e.g. group 6.1 (R&D for air, climate and energy) includes “R&D related to methanation and hydrogen upgrading processes”: at present much of the hydrogen is produced from fossil fuels, so not quite environmentally-friendly. It should be specified “hydrogen produced with renewable sources”