DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

System of
Environmental
Economic
Accounting

Classification of Environmental Functions

Global Consultation

Comments Form

Extended deadline for responses: 3 February 2023
Send responses to: seea@un.org

Name:	P.Bhanumati
Organization & country:	International Monetary Fund
Contact (e.g., email address):	pbhanumati@imf.org

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. The proposed CEF divisions 6 and 7 could benefit from further clarification. The CEF division 6 related to Research and Development (R&D) is split by environmental domains (6-1 to 6-5) and has no grouping for classifying R&D that cannot be divided by domain. The explanatory note which says "CEF divisions 6 and 7 include transversal functions, i.e. R&D and administration, management as well as education, training and information. Ideally administration and management as well as education, training and information activities should be classified by environmental domains. Since primary data sources often do not allow the split, they are re-grouped in CEF 7." This seems to imply that if primary source data doesn't allow the split of the R&D by domain, then R&D is classified in division 7. But it is not clear as to which class of division 7 can be used for such cases. In this context, it may be worth to alternatively consider R&D as part of each environmental domain when primary source data allows, and keeping one division for cross-cutting activities including R&D, similar to the classification of management and administration.

2. On Division 1 - Air, climate and energy, the environmental impacts and treatment of air emissions of particulates being different from air emissions of gases, it may be appropriate to have a separate group to distinguish it from air emissions of gases.

3. Carbon sequestration (CS) is not specifically mentioned. Given the rapid development observed in CS technologies and the increased importance that CS, Carbon capture and storage (CCS) and carbon capture and use (CCU) are having to reduce the concentration of CO_2 in the atmosphere, it will be good to have specific classes for these 3 different technologies.

4. The classification will be the backbone for the compilation of environment activity accounts, and also helping in measuring the climate change mitigation and adaptation expenditures. In the regard, it may be useful to point out the exclusion of following activities related to climate change adaptation in the proposed classification:

   - climate change adaptation measures (e.g. disaster prevention activities dedicated to extreme weather events such as storms, heat waves, droughts, flood, etc.)
   - activities related to dykes and embankments (e.g. damming activities) as they are related to natural risk management and protection of human property
   - protection of settlements against natural hazards such as landslides

   It is proposed that the exclusions be reviewed, and the following activities included in CEF Division 7:

   - Design and construction of measures to protect critical energy infrastructure from the impacts of floods and storms.
   - Building protection from climate hazards into existing infrastructure

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

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In certain cases, exclusions of a particular Division are included elsewhere under the Classification. For instance, production of fuelwood is excluded from 4.3.1 but included in 1.2.1. Giving reference of the Division of where the function is included in the classification, wherever applicable, may be useful.

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

The proposed classifications and structure, which creates a broad umbrella for environmental functions, arguably highlights the need to revisit the COFOG's narrower definition of environmental protection which excludes, for example, government spending on management of natural resources, including sources of renewable energy or forestry, that would be captured as environmental functions in CEF.

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