

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS STATISTICS DIVISION UNITED NATIONS

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Cover Note for Session 5 - International Cooperation

Session Organizer: Statistics Canada

(for discussion)

International cooperation in the context of environmental-economic accounting

Session Goal: to discuss UNCEEA's role with regard to international cooperation, especially with respect to international organizations.

Background

With the publication and subsequent popularisation of the SEEA, international activity related to its implementation has increased in recent years. The SEEA is specifically mentioned in both the OECD and Eurostat reporting requirements for Green Growth and environmental accounting respectively. In addition, the World Bank, through its WAVES project has been developing training materials and applications of the accounts and their framework. While this activity is clearly desirable, there is some risk of overlap and duplication of effort, hence the call to look into a means of coordinating efforts in this domain.

Existing mandates for coordination

In a 2005 briefing to the Secretary-General of the United Nations Statistical Commission, the mandate of the UNCEEA was outlined in detail. The first item under the mandate was coordination. It was suggested that the UNCEEA should play a major role in coordinating activities of environmental-economic accounting, in particular: a) coordinating activities of agencies active in the field (both users and producers of environmental accounts and statistics), b) systematic dissemination of country practices, and c) sharing information on technical cooperation activities.

To facilitate this activity, it was proposed that UNSD would develop a website that would serve as a knowledge management platform. The site would house information on ongoing data-collection activities, archive case studies in environmental-economic accounting, provide information on ongoing country projects, hold training material, and list a roster of experts in the various subject-matter areas.

According to the UNSD's own promotional material, "...the general function[s] of the UN Statistical Office (now Statistics Division) of the Secretariat were sketched out already at the Nuclear Session of the UN Statistical Commission in 1946 and have remained relative [sic] stable to the present time: technical work with the Commission on the development and standardization of statistical methods; compilation and dissemination of international statistics; technical cooperation with countries to strengthen their national statistical systems, coordination of international statistical programmes and activities; and the support of analytical applications in other offices in the Secretariat."

The London Group has similar content in its mandate and governance structure: "The Chair should seek input from leading developing countries to ensure appropriate developing countries' participation in the

activities of the Group. He/she will also make an effort to enhance communication with the Chairs of other statistical entities to ensure consistency, coordination and cooperation."

Coordination is thus clearly part of the existing London Group, UNSD and UNCEEA mandates. This paper focusses on options to encourage these and other actors in the realisation of this function.

All of the original 2005 goals and plans were laudable, and remain so. It has been ten years since the recommendation was made, but there remain significant challenges regarding the implementation of these ideas. If it is now recognised as a priority to move forward on this objective, support and direction should be provided to UNSD to realise the previously stated objectives.

Major goals have been achieved since 2005, including the re-writing and publication of the SEEA Central Framework as a statistical standard and the publication of two related manuals (with Energy and Agriculture still to come). In addition, UNSD has embarked on a SEEA training programme and the development of technical notes and other implementation activities which have required resource and time commitments from both UNSD, UNCEEA, the London Group and others. Finally, the Sustainable Development Goals and other international initiatives have consumed additional time and effort. These significant achievements may have supplanted efforts on coordination of SEEA efforts up till now. But with an increasing amount of countries seeking to gain capacity in this area, and with work expanding beyond the original SEEA Central Framework, now could be the ideal time to reconsider this work.

Who and what to coordinate?

Eurostat, OECD, World Bank and UNSD are the main international organisations working in this domain, with the addition of the National Statistical Offices that cooperate with and report to them. These are some of the main players where increased coordination is required to avoid response and other burdens on NSOs from competing demands on their resources, and to ensure that activities of the international organisations are complementary and resource effective.

It is important to note that there is a continuum between coordination and control. Depending on the nature of the dimensions noted below, the relative emphasis on either control or coordination may vary. However, all new or reinforced actions in this area will depend on goodwill across the agencies involved. Fortunately this already exists, as evidenced by the exchanges and cooperation shown at the London Group meetings.

There are three dimensions of what could be further coordinated: 1) Development of concepts and methods 2) reporting of data to international agencies, and 3) training and assistance activities.

Methodological development

Development attention has turned from the SEEA Central Framework to other facets. Some short-to-medium priorities in this area include the following:

- Development of the SEEA Experimental Ecosystem Accounting Technical Recommendations (to be completed by Dec 2016)
- Finalization and publication of SEEA-Energy and SEEA Agriculture (in cooperation with FAO)

- Development of SEEA Technical Notes on Land Accounting, Water Accounting, Energy
 Accounting, Air Emission Accounting, Environmental goods and Services Sectors, Environmental
 Protection Expenditure Accounts and Material flows Accounting (to be completed by Dec 2016)
- Ongoing development of the SEEA Technical Note on Biodiversity Accounting and Tourism Accounting (to be completed by 2017)
- Methods related to process and applications for those countries already beyond the implementation stage.

Although there is still significant developmental work to be accomplished, there is a very small group of experts in this field, creating significant overlap in the membership of different committees (e.g., UNCEEA Technical Committees, London Group, OECD-SEEA implementation).

Issues for discussion:

- Given the small number of experts, how can methodological development be streamlined to use this capacity as efficiently as possible?
- Is there value to creating a new partnership group in this area? If yes, how would this group relate to UNCEEA and other groups?
- The London Group meeting provides an annual forum for experts to gather and exchange information, discuss methodologies and applications, and to maintain working relationships with each other. Outside this annual meeting there does not exist a readily-accessible forum to foster such exchange beyond the loose network of contacts. Is there an complementary forum for exchange that could be created?
- Could an online presence assist in this way? Potential roles could be an exchange of information related to international cooperation efforts, upcoming data requirements, training materials, training events and missions, experts in each subject-matter area, a question and answer forum, etc.

Data reporting

Data requirements are increasingly related to statistics that can be generated from the SEEA. For instance, Eurostat regulations require reporting on the following accounts for member states:

- Economy-wide material flow accounts,
- Environmental taxes,
- Environmental protection expenditures,
- Environmental goods and services sector,
- Air emissions, and
- Energy use.

Furthermore, the OECD is working on reporting for a natural resource index and air emissions. For its part, the UNSD is considering reporting of environmental accounts based on core tables. It is also working to develop program targets for SEEA implementation to be achieved by 2020.

Issues for discussion:

- How can coordination best take place to minimize respondent burden regarding reporting requirements from international bodies (e.g., UNSD, OECD, EuroStat)?
- Is there value to creating a new partnership group in this area? If yes, how would this group relate to UNCEEA and other groups?
- Can the UNCEEA serve as the venue for discussing and/or determining existing requirements to ensure they take account of existing data collection efforts, that they serve a clear purpose, and that they can serve multiple needs?
- Can existing reporting requirements be used as a way to define "SEEA implementation" in the context of UNSD's program targets? For instance, must a country produce each of the core tables to be considered compliant with the SEEA?

Training and international assistance

Various training initiatives are currently underway related to the SEEA and/or ecosystem accounts. UNSD has embarked on a SEEA training programme and has completed workshops in several regions. The online and in-person phases of this course are designed to provide a basic working knowledge of all areas of the SEEA Central Framework.

Eurostat offers a number of courses and handbooks that help countries meet the reporting requirements of their environmental accounts regulations. The World Bank is active in several countries, providing training primarily in the domain of ecosystem goods and services and their link to the national accounts. The FAO, ESCAP and the OECD also conduct a certain amount of technical assistance.

In addition, there is a need for international agencies and NSOs to be aware of the training efforts already completed and underway in order to avoid duplication and to provide background for subsequent assistance. Again, the knowledge base could serve as a forum to archive and update active agencies on the activities of each other.

From an NSO perspective, Statistics Canada uses an integrated model for large, sponsored technical assistance projects on statistical capacity building. This process (shown in Appendix A) includes the following phases:

<u>Idea generation</u>: receiving a signal that there is a need for statistical capacity building, and identification of general areas for technical assistance

<u>Project assessment</u>: Preparation of a business case, including outcomes, risk assessment, preliminary costing and preliminary list of activities

Project initiation: Preparation of contract between sponsor and executing agency

<u>Project planning</u>: detailed assessment of needs within each broad topic, preparation of performance measurement framework, budget forecast and defining mandate

<u>Execution</u>: Delivery of TA virtually or through in-country missions using a "learning-by-doing" approach where executing agency and recipient work together on a survey, estimates or concrete products. This approach usually proceeds in steps: knowledge sharing (understanding context and sharing best practices and international standards), testing (working on pilot surveys, testing approaches, simulations of estimates), implementation (incorporating new methods and concepts in production).

Close out: preparation of final documentation

A recent example of large-scale technical assistance can be used to illustrate this process. Statistics Canada is currently working with a number of countries in the Caribbean. The initial phase (idea generation phase as noted above) included individual consultations with each participating country. Perspective work programs were identified based, for the most part, on user need. Priorities were determined and plans were developed (project assessment, initiation and planning). An important part of the planning work was the cooperation with international organizations already active in the area. Statistics Canada took great care to ensure that the technical assistance it was delivering was complementary to the work already underway.

Issues for discussion:

- Several organizations have developed a variety of training materials and initiatives. How can this material be made easily accessible to both trainers and students? Can the knowledge management platform proposal in the original 2005 UNCEEA recommendations on coordination be a good way to address this issue?
- To what extent should international technical assistance on the SEEA be coordinated and conducted as a systematic process as is the case of the Statistics Canada example? Is there enough capacity regarding experts to conduct these types of major initiatives?
- Is there value to creating a new partnership group in this area? If yes, how would this group relate to UNCEEA and other groups?

<u>Appendix A : Statistics Canada's approach to large sponsored technical assistance projects on statistical capacity building</u>

Stage		Activities
1	Idea Generation	Reception of signal – from recipient and/or sponsor indicating that there is a need for statistical capacity building (SCB)
		Assessment of broad needs in SCB for the country/region (reading of existing documents, meetings with stakeholders)
		Identification of general areas where technical assistance (TA) could be delivered by Statistics Canada (based on needs and capacity to deliver)
		Preparation of short description to confirm sponsor's interest
2	Project Assessment	Preparation of a business case, including outcomes, risk assessment, preliminary costing and preliminary list of activities to obtain sponsor's approval in principle.
3	Project Initiation	Preparation of contract between sponsor and executing agency (StatCan).
4	Project Planning	Detailed assessment of needs within each broad topic to prepare project charters for sub- projects (goal, detailed outputs, timeline, responsibilities, signed by both parties to show commitment)
		Preparation of Performance Measurement Framework
		Preparation of a detailed budget forecast
		Definition of mandate and membership of the Project Steering Committee
5	Execution	Delivery of TA virtually or through in-country missions using a "learning-by-doing" approach where executing agency and recipient work together on a survey, estimates or concrete products. This approach usually proceeds in steps: knowledge sharing (understanding context and sharing best practices and international standards), testing (working on pilot surveys, testing approaches, simulations of estimates), implementation (incorporating new methods and concepts in production).
		Documentation of approaches and methods (for sustainability)
		Review of plans on an annual basis with stakeholders
		Coordination of TA activities with other sponsors working in the same region
		Monitoring by Project Steering Committee (annual basis)
		Preparation of reports for sponsor
6	Close out	Preparation of final documentation (project results, lessons learned, list of technical documents produced, budget report)