



System of
Environmental
Economic
Accounting

Forum of Experts in SEEA Experimental Ecosystem Accounting 2018

Concept note

18 – 20 June 2018

Glen Cove, New York, USA



United Nations



THE WORLD BANK
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CONCEPT NOTE

Forum of Experts in SEEA Experimental Ecosystem Accounting 2018

- Date:** 18-20 June 2018
- Location:** Glen Cove Mansion, Glen Cove, New York, USA
- Audience:** National and environmental accountants, researchers and experts in the areas of ecosystem accounting, ecosystem modelling, spatial analysis of ecosystem services, scientists, and environmental and ecological economics, earth observation specialists.

Background

1. In March 2013, the United Nations Statistical Commission endorsed the System of Environmental-Economic Accounting - Experimental Ecosystem Accounting (SEEA EEA) as an important step in the development of a statistical framework for ecosystem accounting for commencing testing and further development of this new field of statistics. The SEEA EEA offers a synthesis of the current knowledge in ecosystem accounting and serves as a platform for its development at national and sub-national levels. It provides a common set of terms, concepts, classifications, and an integrated accounting structure for measuring ecosystem services and ecosystem condition in both physical and monetary terms.
2. This Forum builds on the other two Forums organized in 2013 and 2015 by the United Nations Statistics Division (UNSD) to advance the theory and practice of ecosystem accounting, considering its fast-evolving nature of the topic and increased policy interest. Bringing together broad range of expertise and experiences, the forums have contributed to the development of guidance documents on ecosystem accounting, including the SEEA Experimental Ecosystem Accounting in 2013 and the Technical Recommendations in support of the SEEA 2012 - Experimental Ecosystem Accounting issued in December 2017.
3. To date, there are currently over 40 countries undertaking piloting of ecosystem accounting. Under the auspices of the UN Committee of Experts on Environmental-Economic Accounting (UNCEEAA), UNSD supports the methodological development of the SEEA EEA and implementation of ecosystem accounting in countries through its regular work programme and externally-funded projects including the recently-finished Norwegian-funded Advancing Natural Capital Accounting (ANCA) project and more recently the European Union-funded Natural Capital Accounting and the Valuation of Ecosystem Services project. The latter project aims to assist five partner countries (Brazil, China, India, Mexico, South Africa) to achieve specific outputs on ecosystem accounting, including monitoring of changes in land and ecosystems and

generate case studies to help advancing ecosystem accounting under the SEEA EEA framework.

4. The SEEA EEA has also been recognized as the main statistical framework for ecosystem accounting in various other international and regional policy initiatives. These include, but are not limited to, the World Bank-led Wealth Accounting and the Valuation of Ecosystem Services (WAVES) partnership, the Valuation and Accounting of Natural Capital for Green Economy initiative launched by UN Environment, the EU project on Mapping and Assessment of Ecosystems and their Services (MAES), the UNDP Biodiversity Finance (BIOFIN) initiative, the Convention on Biodiversity Aichi Biodiversity Targets, and in particular target 2, the UNCCD initiative on Land Degradation Neutrality and the UN Environment-led initiative on The Economics of Ecosystems and Biodiversity (TEEB).
5. The revision process of the SEEA EEA, endorsed by the United Nations Statistical Commission, has commenced. The objectives of the revision process are to move towards a consensus on concepts and methods on ecosystem accounting building on the testing and experimentation that has been going on in the past years since the publishing of the SEEA EEA and learning from the experience of various initiatives working on relevant projects, including the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) and the natural capital assessment projects, as well as on availability of new technologies.

Objectives

6. The Forum's main objectives are to:
 - a. Share best-practices in compiling ecosystem accounts; in particular, but not exclusively, in the context of the Natural Capital Accounting and Valuation of Ecosystem Services project;
 - b. Advance the research agenda in support of the revision of the SEEA EEA;
 - c. Showcase methodological and technical advances; and
 - d. Identify priority areas for testing and experimentation to support the advancement of the research agenda.

Agenda and organization

7. The agenda will be structured around a presentation providing general description of each issue on the SEEA EEA research agenda, the current treatment of the issue, possible options to address the issue followed by presentation of best practices by countries and experts, panel discussions and small group discussions. The sessions will be interactive to allow participants to express their views and contribute to the future work.

Research area	EEA Revision Issue
1. Spatial areas	1. Classification of ecosystem types
2. Ecosystem condition	2. Characteristics and indicators of ecosystem condition
3. Ecosystem services	3. The description and classification of ecosystem services
4. Accounting treatments and valuation	4. Valuation concepts for ecosystem services and ecosystem assets
	5. Valuation methods for key ecosystem services
	6. Accounting for ecosystem capacity, degradation and enhancement

8. The forum will bring together representatives from the different communities to contribute to the discussion and move the agenda forward.

Development of research areas

9. **Spatial areas** are at the heart of ecosystem accounting. The focus to date has been the development of a measurement approach that enables relatively broad scale terrestrial ecosystems to be accounted for. The general approach for delineating these areas has become relatively well established although there are still important matters requiring resolution. The key focus in this research area is establishing statistically and accounting relevant classifications for land use, land cover and ecosystem types with careful review and application where possible of existing classifications of this type.
10. The measurement of **ecosystem asset condition** is a fundamental aspect of ecosystem accounting since it is the regular monitoring of asset condition that is central to assessing the changing capacity of ecosystems to supply ecosystem services. This research issue concerns developing a generalized model of characteristics and indicators of condition for different ecosystem types. Furthermore, a link should be made to the measurement of ecosystem capacity.
11. Measuring **ecosystem service** flows in physical terms is important to enable a broad mapping of the role of ecosystem assets and the relevant beneficiaries; and to facilitate the valuation of ecosystem services. However, while this general framing is well accepted there are a range of measurement boundary challenges that remain the subject of ongoing discussion. A key aspect in this research area is to work through these various conceptual issues and finalize treatments that are appropriate from an accounting perspective.

12. Determining appropriate application of national **accounting** principles to the measurement of ecosystems and undertaking **valuation** are challenging areas. There have been some important advances in both areas, including improved understanding of the use of non-market valuation techniques from environmental economics for ecosystem accounting purposes, but a range of issues remain. It is noted that monetary valuation is not mandatory within the SEEA EEA, but where such values are required, including for example for full integration with the SNA, the aim of research must be to ensure that the SEEA EEA treatment of monetary valuation is as clear as possible and that proposals for the integration of ecosystem services and assets with standard economic accounts are fully articulated.

Organization of the meeting

13. The Forum will be organized by UNSD in collaboration with UN Environment and the European Union, and will be largely funded by the European Union. Other partners are welcome to join the organizational committee to increase the impact and quality of the Forum.

14. The Forum will be held from 18 to 20 June 2018 at Glen Cove Mansion Hotel & Conference Center, 200 Dosoris Lane, Glen Cove, NY 11542, USA. It will start at 9:00 on 18 June and finish at 18:00 on 20 June. The Forum will be held in English.